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CALENDAR
MEETING OF
FINANCE COMMITTEE

DOCUMENTS DEPT.

AUG 4 1989

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Board of Supervisors
City and County of San Francisco

WEDNESDAY, AUGUST 2, 1989 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

CLERK: GREG HOBSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

1. File 101-86-84.1. To consider release of reserved funds, Fire Department, in an amount totalling \$135,000, for continued environmental work; (\$95,000 required for immediate contracts and \$35,000 for engineering preparation of contracts and other permits). (Fire Department)

(Cont'd from 7/26/89)

ACTION: RELEASE OF \$77,800 APPROVED FOR THE FOLLOWING WITH SUPERVISOR WARD DISSENTING ON CLARENDON AVENUE EXTENSION : \$17,600, Archaeological Services for 3rd Street extension; \$3,960, Modification to existing archaeological services contract with Bendix Environmental Research; \$9,790, Modification to existing hazardous materials services contract with Woodward-Clyde Consultants; \$11,000, Archaeological services for Ingalls Street extension; \$24,850, DPW preparation of permit applications and \$10,600, City Planning permits for Ocean, Mission and Silver extensions. FILED.

2. File 28-89-9. [Replacement of Apparatus Doors] Resolution authorizing the San Francisco Fire Department to take necessary measures to provide for security of Fire Station No. 3 and Fire Station No. 13 by installing new apparatus doors. (Fire Commission)

ACTION: RECOMMENDED.

3. File 101-89-4. [Government Funding] Ordinance appropriating \$23,380, Board of Supervisors, for membership dues. (Controller) RO # 9019

ACTION: RECOMMENDED.

4. File 102-88-38. [Public Employment] Ordinance amending Annual Salary Ordinance, 1988-89, Office of the Chief Administrative Officer, reflecting the addition of seven (7) positions. (Civil Service Commission)

ACTION: TABLED.

5. File 161-89-5. [Contribution to Housing Authority]d Resolution authorizing contribution by City and County of San Francisco to the Housing Authority of the City and County of San Francisco by waiving payments in lieu of taxes for fiscal year 1989/90. (Mayor)

ACTION: RECOMMENDED.

6. File 101-88-91.1. Requesting release of reserved funds, Public Library, in the amount of \$50,000, for the new Main Library Program consultant. (Public Library)

ACTION: RELEASE OF \$50,000 APPROVED. FILED.

7. File 84-89-3. [Acquisition of Property] Resolution authorizing acquisition of real property identified as City and County of San Francisco Assessor's Block 4605, Lots 9 through 20 and Block 4598, Lots 5 and 16 for Open Space purposes (India Basin). (Real Estate Dept.)

ACTION: RECOMMENDED.

OFF-CALENDAR

File 261-89-1. To consider the status report on MBE/WBE participation by the Department of Public Works, specifically the Bureau of Engineering. (Finance Committee) INTRODUCED IN COMMITTEE AND TO APPEAR ON FINANCE CALENDAR, WEDNESDAY, AUGUST 9, 1989.

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CITY AND COUNTY



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OF SAN FRANCISCO

ATTN: Jerry Roth

BOARD OF SUPERVISORS



BUDGET ANALYST

Recommendations

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

August 2, 1989

TO: Finance Committee

FROM: Budget Analyst

DOCUMENTS DEPT.

SUBJECT: August 2, 1989 Finance Committee Meeting

AUG 3 1989

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Item 1 - File 101-86-84.1

NOTE: This item was continued from the July 26, 1989 Finance Committee meeting.

Department: Fire Department

Proposed Action: Release of reserved funds previously approved for capital improvement projects. The funds were reserved pending submission of details of the environmental review work program to be contracted out.

Amount: \$135,000

Source of Funds: 1986 Fire Protection Bond (Proposition A) funds



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Description:

1. In November, 1986, City voters approved the issuance of Fire Protection System Improvement Bonds (Proposition A). Funds from the bond sale in the amount of \$46,200,000 are to be used for the improvement of the City's fire protection system.
2. In April, 1987, the Board of Supervisors approved the Fire Department's \$1,635,700 supplemental appropriation from the 1986 bond funds for capital improvement projects (File 101-86-84) and placed on reserve \$167,000 for environmental review contractual services pending submission of details of the work program for these services.
3. The \$1,635,700 supplemental appropriation included seven planning and start-up projects that are needed to implement the fire protection system improvements. One of the seven planning and start-up projects involves consultant services to prepare environmental assessments of the planned projects. The environmental review costs, totalling \$217,000, include \$167,000 for consulting services as follows:

DPW planning and monitoring	\$ 10,000
City Planning Dept. request for proposal	
(RFP) development and review	40,000
Consultant to perform environmental studies	<u>167,000</u>
Total Environmental Review	\$217,000

4. The DPW is now requesting release of \$135,000 of the reserved \$167,000 for environmental work as follows:

Contractual Services

- a) Archaeological Services for 3rd Street extension. Contract with Holman & Associates (LBE), pending Civil Service approval. Approximately 533 hours at \$30/hour. Includes 10% contingency. \$ 17,600
- b) Modification to existing archaeological services contract with Bendix Environmental Research, Inc. (WBE/LBE). Contractor has received Civil Service approval. 120 hours @ \$33/hour. 3,960

c) Modification to existing hazardous materials services contract with Woodward-Clyde Consultants (MBE/LBE). Two soils tests, including field exploration (\$5,100), laboratory testing (\$2,600) and report and project management (\$1,200). Includes 10% contingency.	9,790
d) Archaeological services for the excavation of eight cisterns. Contractor to be selected. Cost estimates based on approximately 1,067 hours @ \$30/hour, including 10% contingency.	35,200
e) Archaeological services for Ingalls Street extension. Contractor to be selected. Cost estimates based on approximately 667 hours at \$30/hour, including 10% contingency.	\$22,000
f) Archaeological services for Clarendon Avenue extension. Contractor to be selected. Estimates based on approximately 333 hours @ \$30/hour, including 10% contingency.	<u>11,000</u>
Subtotal Contractual Services	\$ 99,550
DPW preparation of permit applications, requests for proposals, agreements and documentation. Total of 497 hours @ \$50 average cost per hour, including fringe benefits and overhead. See Attachment 1.	\$ 24,850
City Planning permits for Ocean, Mission and Silver extensions. Based on an estimated 42,400 linear feet @ \$220/linear foot = \$9,328,000 project cost. Planning Dept permit fees based on cost of project is approximately \$10,863 (rounded to \$10,600).	<u>10,600</u>
Total Requested Release of Funds	\$135,000
Total Funds Previously Placed on Reserve	<u>167,000</u>
Balance Remaining in Reserve	\$ 32,000

Comments:

1. According to Mr. Bob Jew of DPW, the release of reserved funds is requested prior to identification of three of the contractors for (1) excavation of eight cisterns at an estimated cost of \$35,200, (2) archaeological services for Ingalls Street extension at an estimated cost of \$22,000 and (3) archaeological services for Clarendon Avenue extension at an estimated cost of \$11,000 because the Department wishes to expedite the proposed work. Mr. Jew specifically identified the Clarendon Avenue extension project because DPW anticipates being able to give the contractor a notice to proceed in approximately two months. The Budget Analyst disagrees with the Department and recommends that the Finance Committee not release these funds (\$68,200) until the contractors have been selected, the number of hours and the hourly rates have been identified and the MBE/WBE/LBE status of each of the contractors has been specified. Given that the Clarendon Avenue extension project, which is the most timely project, is not anticipated to begin for at least two months, there is sufficient time for the Fire Department to select contractors and subsequently request the release of funds from the Finance Committee at a later date.
2. The \$167,000 that was previously placed on reserve (File 101-86-84) was specifically for contractual services to assess the environmental impacts of the pumping station at Lake Merced; the extension of the Emergency Coordination Center at the Central fire alarm station; the seismic requirements for the Emergency Coordination Center and other environmental impact report requirements. As shown in Attachment 1, no funds are to be used to assess the environmental impacts of the pumping station at Lake Merced and a total of \$650 is proposed to address the shadow analysis for the Emergency Coordination Center.

3. According to Mr. Vitaly Troyan of the Department of Public Works, no monies are proposed to assess the environmental impacts at Lake Merced because the water level at Lake Merced has dropped approximately 10-15 feet. DPW is currently analyzing these water level problems and as a result, DPW will be analyzing alternative sites for the Fire Department's Lake Merced pumping station. At present, DPW does not know the exact location or scope of the environmental impacts associated with the proposed pumping station project. However, Mr. Troyan reports that to prepare an environmental impact report on such a project could cost approximately \$100,000. If the proposed release of funds are approved, only \$32,000 would remain for such an environmental impact report. Mr. Troyan reports that, if necessary, additional funds could be appropriated for the pumping station's environmental review from the funds previously appropriated for the planning phase of the project. Mr. Troyan reports that a total of approximately \$600,000 has been appropriated for the planning of the pump station project. However, if environmental expenses were deducted from the planning costs, additional planning funds may need to be appropriated out of the next Fire Department bond issue. No construction funds for this project have been appropriated yet.
4. According to Mr. Troyan, the majority of the work for the Emergency Coordination Center has already been completed by DPW. The proposed \$650 for the shadow studies will be sufficient to complete the environmental assessment work on the Emergency Coordination Center. Mr. Troyan reports that the initially intended seismic study for the Emergency Coordination Center was determined not to be necessary.
5. Mr. Jew reports that the requested release of \$135,000 addresses the other environmental impact report requirements. According to Mr. Jew, at the time that the reserve was placed on the \$167,000, the Negative Declarations for the 3rd Street, Ingalls Street and Clarendon Avenue extension projects and the cistern project had not been completed. The Negative Declarations on these projects determined that archaeological services are required. Therefore, Mr. Jew reports that these funds were identified for such purposes.

6. At the time the Board of Supervisors approved placing the \$167,000 on reserve, the Board also approved the release of \$10,000 for DPW's planning and monitoring and \$40,000 for the Department of City Planning's requests for proposal development, based on the original estimate of \$217,000. As indicated in Attachment 2, of the total \$50,000 appropriated (\$10,000 for DPW and \$40,000 for City Planning), DPW reports expending \$34,969 and City Planning expended \$14,826, for a total expenditure to date of \$49,795. According to Mr. Troyan, DPW expended \$34,969, rather than the \$10,000 appropriated because the Department of City Planning did not prepare the applications, as initially intended, and instead DPW was responsible for preparing the project applications. As a result, City Planning's expenditures were only \$14,826, considerably less than the appropriated \$40,000. Overall, the two departments expenditures were \$49,795, or \$205 less than the appropriated \$50,000.

7. In addition to the previously allocated \$50,000 for departmental work, as shown in Attachment 2, the Fire Department and DPW are now proposing that \$24,850 be allocated to DPW for the preparation of permit applications and requests for proposals and that \$10,600 be allocated to the Department of City Planning for the cost of permit fees, for an additional City expenditure of \$35,450. This is despite the fact that the reserve of \$167,000 was to be specifically for contractual services related to the environmental assessments (File 101-86-84). DPW reports that these additional departmental funds are necessary to prepare the subsequent applications, RFPs, agreements and documentation necessary for the proposed projects, including the Department of City Planning fees for the three projects.

Recommendations:

1. Release \$31,350 for the three contractual services contracts (Holman & Associates contract for 3rd Street - \$17,600; Modification to Bendix Environmental Research, Inc. contract - \$3,960; and Modification to Woodward-Clyde Consultants - \$9,790) and \$35,450 for the DPW and City Planning Department work, for a total of \$66,800.
2. Do not release \$68,200 pending the selection of contractors, the number of hours, the hourly rates and the MBE/WBE/LBE status for the remaining three contractual services contracts.

Additional RequestAttachment 1

• Completion of shadow study for the Emergency Coordination Center (13 mh)	\$ 650
• Submittal of application for West Portal extension and coordination with City Planning. (10 mh)	500
• Preparation of application for Ocean Avenue and Mission Street, etc., extension. 125 mh	6,200
• Preparation of RFPs and agreements, including proposal evaluations, HRC requirements, negotiations, and preparing documentation for Civil Service Commission.	
Water quality studies for lake suctions and well reactivation. (85 mh.)	4,250
Biologist for lake suctions. (65 mh.)	3,250
Archaeologists for cistern construction, Ingalls Street extension, Bay suction connections, and Clarendon Avenue extension. (100 mh.)	5,000
Borings and lab analyses for hazardous waste investigations of streets. (100 mh.)	<u>5,000</u>
Total	\$24,850

City and County of San Francisco

**Department of Public Works
Bureau of Engineering**

Attachment 2



USE OF ENVIRONMENTAL REVIEW FUNDS

	<u>Original Estimate</u>	<u>Spent To Date</u>	<u>Additional Request</u>
DPW Planning and Monitoring	\$ 10,000	\$ 34,969	\$ 24,850
City Planning Request for Proposal Development	40,000	14,826	10,600
Consultants for Environmental Studies	<u>167,000</u>	<u>0</u>	<u>99,550</u>
	\$217,000	\$ 49,795	\$135,000

RMJ/VBT/ear
7/28/89

Memo to Finance Committee
August 2, 1989

Item 2 - File 28-89-9

Department: Fire Department

Item: Emergency resolution approving the expenditure of funds to provide for security of Fire Station 3 and Fire Station 13 by installing new apparatus doors. Section 6.30 of the Administrative Code states that approval by the Board of Supervisors is required for emergency expenditures exceeding \$25,000.

Amount: Not to exceed \$58,000

Source of Funds: Capital Improvement Fund, Apparatus Door Account (funded by 1987 Fire Protection Bonds).

Description: 1. The Fire Department has a Capital Improvement program to replace the doors at all of its Fire Stations with telescoping doors. Station 13, located at 530 Sansome Street, has two doors that were scheduled to be replaced in 1988-89 as a part of the capital improvement door replacement program.

2. However, on April 27, 1989, the steel rollup door on Fire Station 3, located at 1067 Post Street, deteriorated to the point that it malfunctioned and was locked in a permanently open position. In order to provide security for Station 3, a temporary screen was placed across the doorway and a Firefighter stood guard at night. Due to the emergency at Station 3, only one door was able to be replaced at Station 13. The funding for replacement of the second door at Station 13 was instead used for the emergency replacement of the Station 3 door.

3. The Station 13 door replacement had already gone out to bid when the Station 3 door broke. Therefore, the Fire Department immediately awarded the contract and had one door installed at Station 3 and one door installed at Station 13 instead of replacing both doors at Station 13. Because funds for the second door at Station 13 were expended on replacing the door at Station 3, the second door at Station 13 cannot be scheduled for replacement until additional funds are available. According to Mr. Calvin Malone of the City Planning Department, the Capital Improvement budget for fiscal year 1989-90 does not include any additional funds for replacement of fire station doors. Captain Lynch of the Fire Department reports that an aerial truck is parked behind the second door at Station 13, which is not needed as frequently as the other fire trucks, and therefore this door should not be required to be used as often.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 2, 1989

4. Section 6.30 of the Administrative Code authorizes the Department to proceed in the most expeditious manner to conduct the necessary emergency repair work. Byron Epp, Inc., a sole source supplier, finished installing one new telescoping door each at Stations 3 and 13 on July 11, 1989 at a total cost of \$57,956.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 3 - File 101-89-4

Department: Board of Supervisors

Item: Supplemental Appropriation Ordinance

Amount: \$23,380

Source of Funds: General Fund Reserve

Description:

1. The proposed Supplemental Appropriation Ordinance would appropriate funds for membership dues for the following two national organizations;

National League of Cities	\$14,048
National Association of Counties	<u>9,332</u>
Total	\$23,380

2. The National League of Cities (NLC), based in Washington, D.C., is a 1,400 member organization, whose primary purpose is to advocate and lobby for policies that strengthen municipal government. NLC members receive copies of the Nation's Cities Weekly, a weekly publication by the NLC. NLC also sponsors annual conferences, meetings and workshops of interest to local city officials and officials from NLC membership cities can receive discounts on these registration fees and on NLC publications. NLC staff are available to respond to requests for information from its members.
3. NLC annual dues are based on a schedule of ranges of populations, according to the 1980 census data. According to the NLC, the current annual dues for cities in the 600,000 to 700,000 population range, which would include San Francisco, is \$14,048. The NLC reports that the annual rate of dues are periodically increased, with inflation.

4. The National Association of Counties (NACo), based in Washington, D.C., is a 54-year old organization whose purpose is to serve as a liaison with other levels of government; improve public understanding of counties; act as a national advocate for counties; and help counties find innovative methods for meeting the challenges they face. According to NACo, more than two-thirds of the country's 3,107 county governments are members of NACo. NACo members receive County News, a biweekly newspaper published by NACo, which focuses on national legislative matters and other issues of particular interest to counties, such as finances, road maintenance, health care and public corrections. NACo also provides advisory, research, technical and general information to its members and sponsors an annual conference as well as specialized and regional conferences during the year.

5. NACo's annual dues are based on the County's 1980 census data population. According to the 1980 census data obtained by NACo, San Francisco had a population of 674,150. NACo's dues are then calculated according to an actual rate of \$0.0138 per capita and includes an additional \$28.75 processing fee. According to NACo, the last membership rate increase was 15 percent, which occurred in 1983. Assuming a San Francisco population of 674,150 and NACo's current rates, NACo's annual dues for San Francisco would be \$9,332 per year.

6. Based on current rates, the cost for the Board of Supervisors to join both the National Association of Counties and the National League of Cities would be a total of \$23,380 annually.

Comments:

1. As indicated above, both NACo and NLC sponsor conferences and workshops for interested county and city officials. However, these organizations restrict the location of their conferences to cities and counties that are members of the respective organizations. It should be noted that both NACo and NLC have expressed interest in holding their annual conferences in San Francisco, which could provide potential additional economic activity and tax revenues for the City and County.

2. Although San Francisco is currently a member of both the County Supervisors Association of California (CSAC) and the League of California Cities, which are respective State-wide organizations, San Francisco is not currently a member of either NACo or NLC, which have access to nation-wide information.
3. Sections 16.6 and 16.6-1 of the San Francisco Administrative Code currently states that in the interest and for the benefit of the City and County, the Board of Supervisors are hereby authorized to acquire and maintain membership in the National Association of Counties and the National League of Cities and to represent the City and County in such organizations. Therefore, the Board of Supervisors already has the authorization to join both of these organizations, however, the necessary funds to join these organizations has not been appropriated. The proposed supplemental appropriation would appropriate the necessary funds for the Board of Supervisors to become members of these two organizations. This request for funds is consistent with a previous motion adopted by the Board of Supervisors directing the Clerk of the Board to submit a supplemental appropriation request to the Mayor.

Recommendation: Approve the proposed ordinance.

Memo to Finance Committee
August 2, 1989

Item 4 - File 102-88-38

Note: This item was continued by the Finance Committee at its meeting of June 28, 1989.

Department: Chief Administrative Office (CAO)

Proposed Action: Ordinance to amend the Annual Salary Ordinance for fiscal year 1988-89 to reflect the creation of seven new positions.

Description: 1. The details of the proposed Salary Ordinance amendment are as follows:

<u>Proposed Action</u>	<u>No. of Positions</u>	<u>Class and Title</u>	<u>Proposed Biweekly Salary</u>	<u>Proposed Annual Salary</u>
Create	1	1446 Secretary II	\$874-\$1,057	\$22,812-\$27,588
Create	2	5506 Project Manager III	2,684-2,684	70,052-70,052
Create	1	5508 Project Manager IV	3,108-3,108	81,119-81,119
Create	1	9765 Assistant to CAO VI	2,023-2,023	52,800-52,800
Create	1	9766 Assistant to CAO VII	2,264-2,264	59,091-59,091
Create	1	A557 Deputy Fiscal Officer, CAO	2,332-2,332	60,865-60,865

Except for the 1446 Secretary II position, the above new positions would not include Salary Step increases. The proposed addition of seven new positions would result in an increased annual salary of \$421,567 at the top steps.

2. The Board of Supervisors approved a resolution (File 209-89-1) which authorized the creation of a Waterfront Transportation Project Office under the CAO to coordinate the planning, financing, design and construction of a Waterfront Transportation Program. The Waterfront Transportation Program includes five major highway and transportation projects with three separate agencies to be responsible for their completion, as follows:

<u>Project</u>	<u>Agency Responsible</u>
• Embarcadero Parkway - Redevelopment of the Embarcadero as a landscaped boulevard from North Point on the north to approximately Fifth and King on the south. As part of this project, King Street is also to be redeveloped as a boulevard.	Department of Public Works

<u>Project</u>	<u>Agency Responsible</u>
• MUNI Metro Turnback - Subway extension of the MUNI Metro from the Embarcadero Station to a portal south of Howard Street in the median of the Embarcadero Parkway.	Public Utilities Commission
• MUNI Metro Extension - Surface extension of the MUNI Metro from the Turnback project south and west in the median of the Embarcadero Parkway and King Street Boulevard. Five platform stations are to be included.	Public Utilities Commission
• MUNI F Line - Extension of surface tracks from Market Street north along the Embarcadero Parkway to Jones Street in the Fisherman's Wharf area.	Public Utilities Commission
• I-280 Ramps - New off/on ramps linking the elevated I-280 structure with the (new) King Street Boulevard. Also includes the removal of the unused elevated I-280 structure.	CALTRANS

3. The program is expected to have a duration of at least five years. The Project Office would include a Project Manager under the CAO, who would be responsible for the overall implementation of the project and would include additional project management and support staff to assist in financing, scheduling of contracts, engineering and administration of the Program. The staff would be phased in on an as-needed basis. The maximum anticipated annual budget is as follows:

Salaries

<u>Position Number</u>	<u>Position Title</u>	<u>No. of Positions</u>	<u>Annual Cost</u>
5508	Project Manager IV	1	\$ 81,119
5506	Project Manager III	2	
		@ \$70,052	140,104
9765	Assistant to the CAO VI	1	52,800
A557	Deputy Fiscal Officer	1	60,865
9766	Assistant to the CAO VII (@ 30%)	1	17,727

BOARD OF SUPERVISORS
BUDGET ANALYST

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<u>Position Number</u>	<u>Position Title</u>	<u>No. of Positions</u>	<u>Annual Cost</u>
1446	Secretary II	1	22,916
	<u>Fringe Benefits</u>		<u>93,883</u>
	Subtotals	7	\$469,414
	<u>Data Word Processing Maintenance</u>		\$1,500
	<u>Other Contract Services</u>		
	Office Equipment Maintenance	\$1,000	
	Copy Machine	7,500	
	Temporary Secretary	8,736	
	Moving Expenses	<u>3,000</u>	20,236
	<u>Routine Travel</u>		2,000
	<u>Training</u>		2,500
	<u>Other Services</u>		
	Local Field Expense	\$4,000	
	Postage-Messengers	3,000	
	Subscription	1,000	
	Printing	5,000	
	Entertainment	500	
	Advertising	<u>3,500</u>	17,000
	<u>Telephone</u>		6,000
	<u>Materials & Supplies</u>		
	Offices Supplies	\$5,000	
	Data Processing Supplies	<u>2,500</u>	7,500
	<u>Rental of Property</u>		40,000
	<u>Equipment</u>		
	Furniture	\$15,000	
	Books	<u>1,000</u>	16,000
	<u>Data Processing Equipment</u>		15,000

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Service of Other Departments</u>	
City Attorney	\$50,000
Human Rights Commission	10,000
Reproduction	5,000
City Mail Services	<u>2,000</u>
	<u>67,000</u>
TOTAL	<u>\$664,150</u>

4. The seven positions, which would be created by this proposed ordinance, would be classified at a future meeting of the Civil Service Commission.

Comments:

1. The Mayor's Office and the CAO have recommended the creation of the Waterfront Project Office due to the number of agencies involved and the variety of funding sources to be used in the projects. In addition to the Public Utilities Commission and the Department of Public Works, the Port of San Francisco, the Department of City Planning and the San Francisco Redevelopment Agency have important roles in insuring the success of the Waterfront Transportation Project. The centralized planning, control and accountability of the project in the Waterfront Transportation Project Office by the CAO is intended to insure that it is implemented efficiently and expeditiously.
2. The total cost of the highway and transportation improvements, which are part of the proposed Waterfront Transportation Program, are expected to exceed \$200 million and are to be funded from a diversity of federal, state, local, and private sources, with the largest share from the Urban Mass Transportation Administration and I-280 Interstate Transfer funds. The total cost of operation of the Waterfront Transportation Project Office, in the amount of \$664,150 as shown above, is expected to be fully funded from State and Federal grants. At the request of the Finance Committee, additional information was obtained from the CAO's Office as to how the Waterfront Transportation Project Office would be funded. The additional information is included as an attachment to this report.
3. The authorization to apply for and accept grant funds for the individual capital projects of the Waterfront Transportation Program and for the operation of the Waterfront Transportation Project Office would continue to require approval by resolution of the Board of Supervisors.

Memo to Finance Committee
August 2, 1989

4. Mr. Dave Fong, of the Controller's Office, concurs that since positions under this program are expected to be employed by the City for over six months, such positions should be enumerated in the Annual Salary Ordinance as is being proposed under this ordinance.
5. The proposed ordinance would have amended the fiscal year 1988-89 Annual Salary Ordinance which expired on June 30, 1989. Consequently, Ms. Anne Branston, of the CAO's Office, reports that separate legislation has been initiated to amend the 1989-90 Annual Salary Ordinance which would replace this proposed ordinance. Therefore, this proposed ordinance should be tabled.

Recommendation: Table the proposed ordinance.



OFFICE OF

CHIEF ADMINISTRATIVE OFFICER

RUDOLF NOTHENBERG
CHIEF ADMINISTRATIVE OFFICER

289 CITY HALL
SAN FRANCISCO
CALIFORNIA 94102
415/554-4851

DATE: June 5, 1989
TO: Bill Courtright
FROM: Ann Branston *[Signature]*
RE: Waterfront Project Office

Here is a brief explanation of how the Waterfront Project Office will be funded.

The Board of Supervisors has previously authorized the Public Utilities Commission and the Department of Public Works to apply for, accept, and expend grant funds to initiate planning and design work on the Muni Metro Turnback, the Muni Metro Extension and the Embarcadero Parkway. These grants include \$7.7 million in Cal Trans State Guideway funds, \$12 million from the Urban Mass Transportation Administration (UMTA), \$15 million from B.A.R.T. and \$1.6 million from the Federal Highway Administration (FHWA). Each of these grants included funding allocations for project management and administrative expenses, a portion of which would be transferred to the CAO's office to support the operation of the Waterfront Project Office. As additional grants are authorized and received in subsequent years, the Project Office would continue to be funded in this manner.

Please let me know if I can answer any additional questions.

#1967Y

Item 5 - File 161-89-5

Department: Mayor's Office
San Francisco Housing Authority (SFHA)

Item: Resolution authorizing a waiver of SFHA's required annual payment to the City's Payments in Lieu of Taxes (PILOT) for fiscal year 1989-90.

Estimated Amount of Proposed Waiver: \$802,152

Description: Currently, under the terms of the existing Cooperative Agreement between the City and the SFHA, the City does not levy or impose any real or personal property taxes or special assessments upon the SFHA. In turn, under that Agreement, the SFHA is to make annual payments to the City, in lieu of taxes and special assessments, in order to reimburse the City for the public services and facilities provided by the City. The SFHA Payments in Lieu of Taxes are calculated based upon the rents and utility expenses charged by the SFHA to SFHA's tenants. Under this proposed resolution, the City would waive such Payments in Lieu of Taxes (PILOT), amounting to \$802,152, due from the SFHA for FY 1989-90, October 1, 1989 through September 30, 1990, which is the Federal fiscal year.

Payment in Lieu of Taxes (PILOT) is a provision of the Housing Act of 1937, which allows compensation to the local government for general municipal services such as police, fire, recreation and health, which are provided to the residents of public housing. Based on prior approvals of the Board of Supervisors to waive the PILOT, the San Francisco Housing Authority has not provided a PILOT to the City since 1982 and the total amount waived previously by the Board of Supervisors for the seven years between 1982 and 1989 totals approximately \$4.2 million. SFHA has been classified as financially troubled by the U.S. Department of Housing and Urban Development (HUD) and SFHA has advised the City that it does not have sufficient financial ability to pay any amount for PILOT to the City, without jeopardizing existing service levels.

Comments:

1. Ms. Carol Joseph, SFHA Director of Finance, estimates that as of September 30, 1989, SFHA has the following outstanding debts owed to the U.S. Department of Housing and Urban Development (HUD) and to various utility suppliers:

SFHA Debt Balances

<u>Owed To:</u>	As of 9/30/88	As of 9/30/89	Federal Fiscal Year 1988-89 <u>Payments</u>
HUD	\$3,039,527	\$2,514,527	\$525,000
S.F. Water Dept.	667,540	400,526	267,014
P.G. & E	446,333	267,809	178,524
Sunset Scavenger	112,552	32,548	80,004
Total	\$4,265,952	\$3,215,410	\$1,050,542

2. SFHA's 1989-90 Proposed Operating Budget to HUD identifies the following revenue and expenditures:

Estimated Revenues

Rent & Other Operating Receipts	\$15,729,880
HUD Subsidy	<u>12,558,816</u>
Total Revenues	\$28,288,696

Estimated Expenditures

Balance of Estimated Revenues Over
Estimated Expenditures \$1,048,136

HUD Debt Payback

SFHA Operating Reserve \$23,136

3. The \$1,025,000 HUD Debt Payback identified in the SFHA application to HUD for operating subsidies for 1989-90 would reduce SFHA debt to HUD from \$2,514,527 to \$1,489,527, to be paid back in future years.

4. Additional paybacks for the San Francisco Water Department, P.G. & E. and Sunset Scavenger have not been budgeted, according to Ms. Joseph. Ms. Joseph advises that such payments have been made from available salary savings in the past and this procedure would be followed in next year's budget as well.

5. SFHA has advised the City that HUD has reduced the Federal operating subsidy each year. These HUD subsidy reductions have been offset by SFHA through a concerted effort to increase rent collections (SFHA's other major source of revenues). However, SFHA recently revised its current 1988-89 expenditure budget for collection losses, by increasing their rent collection losses by \$500,000 (250%) from \$200,000 to \$700,000. The SFHA Commission approved this revision on July 27, 1989.

6. According to SFHA, currently, there are 546 SFHA units vacant, which are in need of various levels of repair and which are not providing rent to the SFHA. Of a total 6,487 rentable units, 5,941 units are currently rented (6,487 less 546). The 546 vacant units (8.4 percent or $546 \div 6,487$) have been reduced by 83 units from a total of 629 vacant units identified by SFHA on April 1, 1989 and which SFHA included in their HUD application to identify rental receipts. An additional 83 units on the SFHA rent rolls would provide approximately \$195,445 annually in additional rental revenues based on an average monthly rental of \$196.23 as estimated by SFHA. That amount of \$195,445 could be paid to the City's PILOT resulting in a net potential PILOT waiver of \$606,707 (\$802,152 less \$195,445).

7. SFHA has, in addition to 6,487 rentable units, 399 other units in their inventory that do not produce revenues as follows:

Used as project offices	29
Used as community facilities	13
Mothballed (including 332 *Yerba Buena Plaza West and 25 scattered units subject to major fire damage)	357
Total	399

*Scheduled for demolition.

SFHA has reduced their inventory of rentable units by 176 over the past several years, as follows:

Lease to Aspen, Inc.	80
Demolition of Alice Griffith Project Units	<u>96</u>
Total	176

8. The outside auditors for SFHA have still not released their financial audit report which was scheduled for release in December of 1988 as previously reported by the Budget Analyst to the Finance Committee last October. According to Ms. Joseph, the financial audit report will be released by the auditors in September of 1989. The Budget Analyst has requested a copy of this report.

9. If the SFHA could rent the 546 units currently vacant (see Comment 6) and the 357 units currently mothballed (see Comment 7) for a total of 903 units to be rented, approximately \$2.1 million in additional rent receipts could be generated annually.

10. As noted in Comment 6 above, the PILOT waiver could be reduced by \$195,445 from \$802,152 to \$606,707.

Recommendation:

The proposed action by the City to continue to waive the 1989-90 Payments in Lieu of Taxes (PILOT), due to the City from the San Francisco Housing Authority, is a policy decision for the Board of Supervisors.

Memo to Finance Committee
August 2, 1989

Item 6 - File 101-88-91.1

Department: Public Library

Proposed Action: Release of reserved funds previously approved for the new Main Library Program consultant. These funds were reserved pending submission of details regarding the proposed contractual services.

Amount: \$50,000

Source of Funds: Proceeds from the 1988 Public Library Facilities System Improvement Bonds

Description:

1. In November, 1988, City voters approved the issuance of \$109.5 million in General Obligation Bond funds for the construction of a new Main Library Building (\$104.5 million) and for the remodeling of various branch Library facilities (\$5 million).
2. In March, 1989, the Board of Supervisors approved the Public Library's \$655,000 supplemental appropriation from the 1988 Public Library Bond funds for various capital improvements and the creation of two new positions (Ordinance 85-89) and placed on reserve \$325,000 for the new Main Library Program consultant (\$50,000), the Environmental Impact Report outside consultant (\$175,000) and the DPW's Bureau of Architecture's Preliminari Architecture and Engineering (\$100,000).
3. The Public Library is now requesting release of \$50,000 of the \$325,000 in reserved funds for the Main Library Program consultant. The funds for the Main Library Program consultant were placed on reserve because the Department had not yet selected the consultant and therefore the Department could not provide the details regarding the number of hours, hourly rates and the MBE/WBE/LBE commitment of the consultant. The proposed new Main Library Program consultant will be responsible for producing a Building Program Document to provide for the architectural and design parameters for the Main Library building. For example, the Building Program Document will identify the relative size of each room, the height of bookshelves, the number of tables in each room, the circulation pattern in the building, the number and location of meeting rooms, etc.

4. According to Mr. Roberto Esteves of the Public Library, a Request for Proposal (RFP) was prepared and distributed to nine firms. Proposals were received from the following three firms:

<u>Name of Firm</u>	<u>MBE/WBE/LBE</u>
Cohen and Associates	No Preference
Becker and Hayes	No Preference
H.B.W. Associates	No Preference

Mr. Esteves reports that H.B.W. Associates, located in Texas, has been selected as the preferred consultant and that H.B.W. Associates has received approval from the Human Rights Commission. Approval from the Civil Service Commission is currently pending.

5. The consultant's proposed cost to conduct the work are as follows:

Labor Costs

	<u>Hours</u>	<u>Rate Per Hour</u>	<u>Total Cost</u>
Principal	272	\$100	\$27,200
Associate	80	65	5,200
Clerical	124	20	<u>2,480</u>
Total Labor Costs			\$34,880

Other Costs

Airfare (7 RT San Francisco - Dallas 1 RT San Francisco - Houston)	\$7,100
Per Diem (20 Days @ \$165/Day)	3,300
Communications	500
Printing (25 Copies of Report)	<u>700</u>
Total Other Costs	\$11,600
Overhead	<u>\$3,520</u>
Total Project Costs	\$50,000

Comments:

1. The proposed Main Library Program consultant will work with the Library Commission's Strategic Plan which will specify the policies and operations for the new Main Library. The Main Library Program consultant will prepare the Building Program Document that will be used by the architects in designing the new Main Library. According to Mr. Esteves, although the architectural firms of I.M.Pei and SMWM have already been selected, they cannot begin their detailed work until the Building Program Document is completed. It is estimated to take approximately three months for the Main Library Program consultant to complete the Building Program Document.
2. In June, 1989, the City issued \$12 million of the total \$109.5 million Public Library Bonds. The initial bond sale proceeds will be used to fund the Public Library's construction costs for approximately three years.

Recommendation:

Approve the release of \$50,000 of reserved funds.

Memo to Finance Committee
August 2, 1989

Item 7 - File 84-89-3

Department: Recreation and Park
Department of Real Estate

Proposed Action: Resolution authorizing acquisition of property for Open Space purposes and adopting findings pursuant to City Planning Code Section 101.1.

Location: San Francisco Assessor's Block 4605, lots 9 through 20 and Assessor's Block 4598, lots 5 and 16. The proposed parcels are located just east of Hunter's Point Boulevard and approximately one mile north of the entrance to Hunter's Point Naval Shipyard (see attached map).

Property Description: The proposed property consists of 14 lots containing a total area of 70,400 square feet. This total area includes approximately 41,250 square feet of land and approximately 29,150 square feet of property that is subject to tidal action. The property is owned by Mr. Tom McGarvey and is currently zoned light industrial (M-1).

Amount: The Director of Property reports that the fair market value of the proposed property is \$475,000. The cost of the property to the City would be approximately \$6.75 per square foot.

Funding Source: Open Space Acquisition and Park Renovation Fund

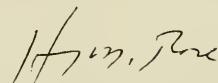
Comments:

1. The Recreation and Park Commission has approved this acquisition for Open Space purposes and the funds have already been appropriated (Appropriation No. 42-04-01 02-221 375899 658-01 2810 for \$460,000 and Appropriation No. 42-04-01 02-221 375899 670-01 2810 for \$15,000). The proposed parcels would be part of the India Basin Shoreline Park. Ms. Deborah Learner of the Recreation and Park Department reports that the proposed India Basin Shoreline Park will include shoreline access, fishing opportunities, pedestrian and bicycle pathways and other related recreational activities. The India Basin Shoreline Park is estimated to encompass approximately five to seven acres of park area.

2. The Department of City Planning reports that the proposed acquisition of the property, which is to be developed into a park, is in conformity with the Open Space Element of the City's Master Plan and is consistent with the eight priority policies of City Planning Code Section 101.1.
3. According to the Real Estate Department, the assessed valuation of the property to be acquired is \$61,535. Based on the 1988-89 fiscal year tax rate of \$1.09 per \$100 of assessed valuation, the taxes paid to the City on the property are currently \$671.
4. Ordinance 253-86 requires that soil tests be conducted on shoreline area property that is to be acquired by the City. Mr. John Panieri of the Real Estate Department reports that the City's Health Department has reviewed a soils analysis report on the proposed parcels that was prepared by the environmental firm of Croxby & Overton, Inc. The Health Department recommends that some additional testing of the soils be conducted, but at the present time there does not appear to be any particular problem with hazardous materials on the subject property.
5. It should be noted that although prior documents indicate that nine people are residing on the property, due to the death of one of the residents, eight people are presently living on the proposed property to be acquired. According to the Real Estate Department, these people are residing in dilapidated structures. The Redevelopment Agency's Central Relocation Services will be providing relocation services to each of the qualified tenants at the time that the City obtains title to the property. The Real Estate Department reports that each eligible household would be entitled for up to \$4,500 for moving expenses and other benefits, for a total maximum cost of \$36,000.
6. Mr. Panieri also reports that \$10,000 of the \$475,000 purchase price will be held in escrow. This \$10,000 will be paid to a contractor to remove debris and trash from the proposed property. Any remaining funds would be reimbursed to the current owner of the property.

Memo to Finance Committee
August 2, 1989

Recommendation: Approval of Open Space acquisitions are policy matters for the Board of Supervisors.

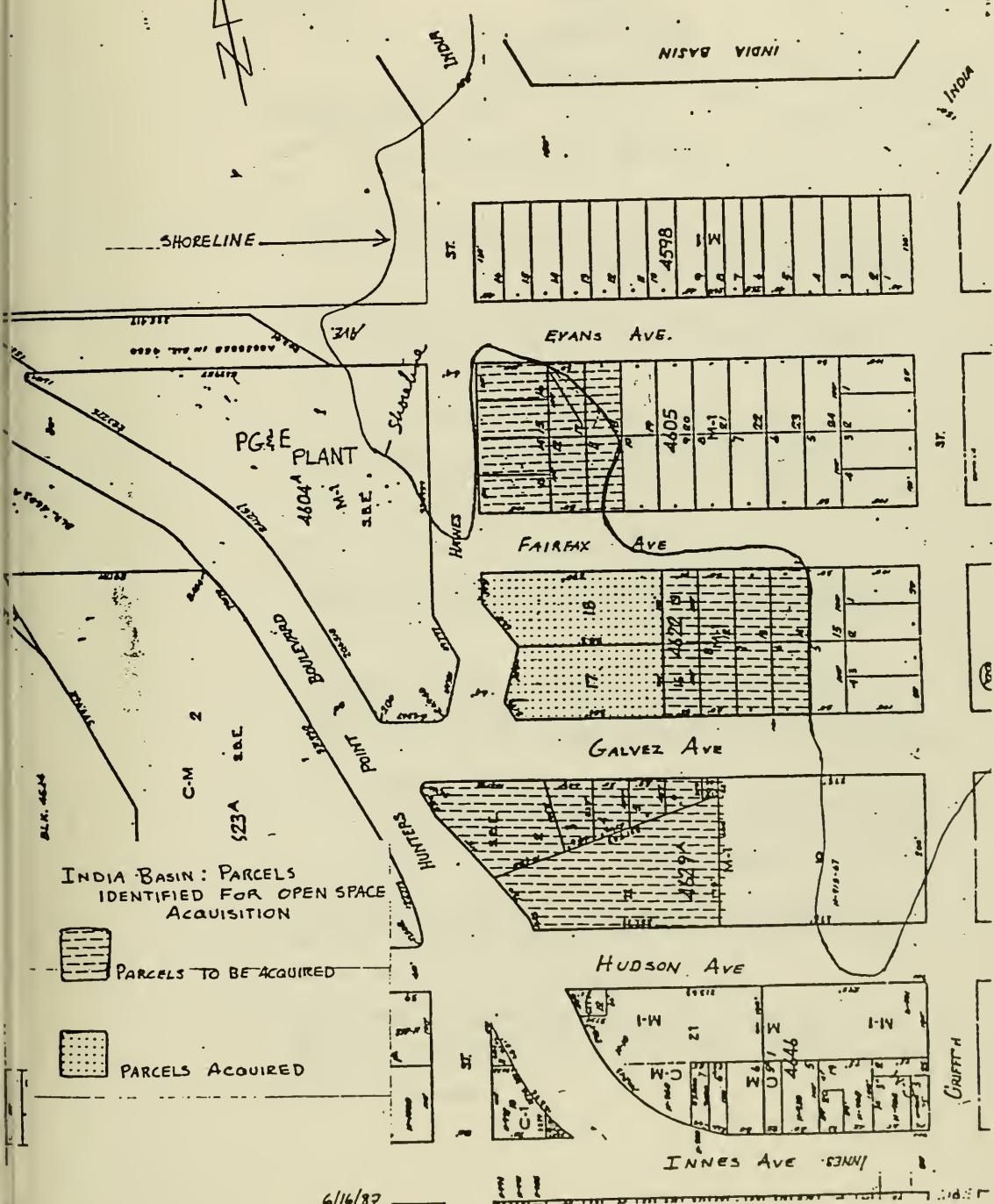


Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

EXHIBIT A

Attachment



6/16/87

0.25
2
/89

Action Taken

CALENDAR
MEETING OF
FINANCE COMMITTEE

DOCUMENTS DEPT.

AUG 10 1989

SAN FRANCISCO
PUBLIC LIBRARY

Board of Supervisors
City and County of San Francisco

WEDNESDAY, AUGUST 9, 1989 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: ~~Supervisors~~ WALKER, WARD, HALLINAN

CLERK: GREG HOBSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

1. File 97-89-31. To consider policy setting, administration and budgeting of Narcotics Forfeiture and Asset Seizure Fund. (Supervisor Walker)

(Cont'd from 7/12/89)

ACTION: CONTINUED TO SEPTEMBER 27, 1989, MEETING.

2. File 106-89-4. To consider the submission of a plan from Civil Service Commission regarding examination and classification functions. (Supervisor Walker)

(Cont'd from 7/12/89)

ACTION: CONTINUED TO SEPTEMBER 6, 1989, MEETING.

3. File 101-88-100-1. Requesting release of Narcotics Forfeiture reserved funds, Police Department, in the amount of \$16,849 for San Francisco SAFE. (Supervisor Walker)

ACTION: TABLED.

4. File 102-89-6. [Public Employment] Ordinance amending Annual Salary Ordinance, 1989-90, Chief Administrative Officer, reflecting the addition of four (4) positions (Classifications 1446 Secretary II, 5506 Project Manager III, 5508 Project Manager IV and A557 Deputy Fiscal Officer). (Civil Service Commission)

ACTION: AMENDED. RECOMMENDED AS AMENDED. Place the Project III position on reserve. AMENDED TITLE: "Amending Ordinance No. 273-89 (Annual Salary Ordinance, 1989-90) reflecting the addition of our positions in the Office of the Chief Administrative Officer; placing a reserve on the Project Manager III position." (SUPERVISOR WALKER DISSENTING.)

5. File 100-88-21. Requesting release of reserved funds, Fire Department, of \$1,955,725, so the new class of thirty (30) H-2 Firefighters and internal promotions be fully funded up to June 30, 1989. (Supervisor Walker)

ACTION: RELEASE OF \$1,607,010 APPROVED. FILED.

6. File 31-89-9. [Employee Replacement] Resolution approving the immediate filling of vacated position of 2230 Physician Specialist, Laguna Honda Hospital, Department of Public Health. (Dept. Public Health)

ACTION: RECOMMENDED.

7. File 124-89-15. [Parking Revenue] Ordinance amending Section 213 of Article 12 of the San Francisco Traffic Code to allow the use of parking revenues for expenses of the Department of Parking and Traffic and the Parking and Traffic Commission; and to authorize the Parking and Traffic Commission to recommend the purposes for which monies in the Off-Street Parking Fund shall be set aside. (Mayor)

ACTION: RECOMMENDED.

8. File 104-89-1. Communication transmitting Civil Service Commission Staff Report No. 2195-89, dated July 17, 1989, Certification of Wage Schedules for Transit Operators pursuant to Section 8.404 of the Charter for fiscal year 1989-90. (Civil Service Commission)

ACTION: ORDINANCE PREPARED IN AND REPORTED OUT OF COMMITTEE.
ADOPTED. RECOMMENDED. ENTITLED: "Fixing schedules of compensation effective July 1, 1989, to be paid under the provisions of Charter Section 8.404 to employees occupying classification 9163 Transit Operator and related trainee class, by establishing the dollar value difference between vacation, retirement and health service benefits to be paid into the Transport Workers Union San Francisco Municipal Railway Trust Fund, incorporating by reference a Memorandum of Understanding, and by establishing conditions and benefits of employment other than wages for said classifications, provisions hereof to remain in effect until the adoption of an ordinance establishing different provisions."

9. File 101-89-5. To consider enacting ordinance amending Annual Appropriation Ordinance, 1989-90, to reflect revenue and expenditure appropriation adjustments to meet requirements for platform employees under provisions of Charter Section 8.404. (Supervisor Britt)

ACTION: ORDINANCE PREPARED IN AND REPORTED OUT OF COMMITTEE.
ADOPTED. RECOMMENDED. ENTITLED: "Amending the Annual Appropriation Ordinance for fiscal year 1989-90, File No. 101-89-1. Ordinance No. 212-89, in order to reflect the necessary revenue and expenditure appropriation adjustments to meet the requirements for platform employees under the provisions of Section 8.404 of the Charter."

File 101-89-5.1. ORDINANCE PREPARED IN AND REPORTED OUT OF COMMITTEE. ADOPTED. RECOMMENDED. ENTITLED:
"Appropriating \$2,412,500 for platform salaries and related mandatory fringe benefits and other contractual services, Municipal Railway, for fiscal year 1989-90."

10. File 102-89-3. To consider enacting ordinance amending Annual Salary Ordinance, 1989-90, Municipal Railway, by adjusting compensation schedules for platform employees pursuant to Charter Section 8.404; effective July 1, 1989. (Supervisor Britt)

ACTION: ORDINANCE PREPARED IN AND REPORTED OUT OF COMMITTEE.
ADOPTED. RECOMMENDED. ENTITLED: "Adjusting the compensation schedules for platform employees (Municipal Railway) effective as of July 1, 1989, pursuant to Section 8.404 of the Charter."

11. File 105-89-1. Communication transmitting Civil Service Commission staff report No. 2196-89, dated July 7, 1989, and approved by the Civil Service Commission on July 17, 1989, Certification of Survey of Monthly Compensations paid police officers and firefighters in California cities. (Civil Service Commission)

ACTION: ORDINANCE PREPARED IN AND REPORTED OUT OF COMMITTEE.
ADOPTED. RECOMMENDED. ENTITLED: "Fixing and determining rates of compensation to be paid municipal officers and employees, whose offices and positions are allocated to classes specified herein and compensation for which are subject to the provisions of Section 8.405 of this Charter providing that said rates of compensation shall be effective July 1, 1989 repealing Ordinance No. 393-88."
12. File 101-89-6. To consider enacting ordinance amending Annual Appropriation Ordinance, 1989-90, to reflect revenue and expenditure appropriation adjustments to meeting requirements for Police and Fire Departments under provisions of Charter Section 8.405. (Supervisor Britt)

ACTION: ORDINANCE PREPARED IN AND REPORTED OUT OF COMMITTEE.
ADOPTED. RECOMMENDED. ENTITLED: "Amending the Annual Appropriation Ordinances for fiscal year 1989-90, File No. 101-89-1, Ordinance No. 212-89, in order to reflect the necessary revenue and expenditure appropriation adjustments to meet the requirements for Police and Fire Departments under the provisions of Section 8.405 of the Charter."
13. File 102-89-5. To consider enacting ordinance amending Annual Salary Ordinance, 1989-90, Police and Fire Departments, to provide rates of compensation for classes subject to the provisions of Section 8.405 of the Charter, effective July 1, 1989. (Supervisor Britt)

ACTION: ORDINANCE PREPARED IN AND REPORTED OUT OF COMMITTEE.
ADOPTED. RECOMMENDED. ENTITLED: "Amending Ordinance No. 273-89 (Annual Salary Ordinance, 1989-90) to provide rates of compensation, effective July 1, 1989, for classes subject to the provisions of Section 8.405 of the Charter (Police and Fire)."
14. File 148-89-4. [Grant - State Funds] Resolution authorizing the Department of Public Works to apply for, accept and expend grant funds in the amount of \$46,200 for the Urban Forestry Grant Program under the California Wildlife, Coastal, and Park Land Conservation Bond Act of 1988.

ACTION: AMENDMENT OF THE WHOLE PRESENTED IN COMMITTEE. ADOPTED. RECOMMENDED. NEW TITLE: "Authorizing the Department of Public Works to apply for, accept and expend grant funds in the amount of \$46,200 for the Urban Forestry Grant Program under the California Wildlife, Coastal, and Park Land Conservation Bond Act of 1988."
15. File 261-89-1. To consider the status report on MBE/WBE participation by the Department of Public Works, specifically the Bureau of Engineering. (Finance Committee)

ACTION: HEARING HELD; FILED.

CITY AND COUNTY



Public Library, Document
OF SAN FRANCISCO Dept
PTIN: Henry Roth

BOARD OF SUPERVISORS

BUDGET ANALYST Recommendation

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

August 9, 1989 DOCUMENTS DEPT.

A.1.G.1. (b) ??

Item 1 - File 97-89-31

Note: This item was continued from the July 12, 1989 Finance Committee meeting.

1. This is a hearing to consider policy setting, administration and budgeting of the Narcotics Forfeiture and Asset Seizure Fund.

2. The Narcotics Forfeiture and Asset Seizure Fund (Fund) was created in 1986. Between August, 1986 and April, 1987, the Fund was administered by the Police Department as a contingency fund under the control of the Chief of Police and the Mayor. Since April, 1987, the fund has been administered by the City's Controller and Treasurer. Under the current arrangements, the Controller's Office provides quarterly reports on the Fund to the Board of Supervisors.

2. According to Lieutenant John Robinson of the Police Department, the four Deputy Chiefs within the Police Department currently comprise the Narcotics Forfeiture Fund Committee within the Police Department. This Committee reviews the requests for appropriations from the Fund and makes recommendations to the Chief of Police. All appropriations less than \$10,000 require the Mayor's approval. All appropriations greater than \$10,000 require approval of the Mayor and the Board of Supervisors.

3. In general, the Fund has been used for purposes related to drug education and prevention and to finance non-personnel expenses of the Department's Narcotics Task Force. However, a recent supplemental appropriation for Police Overtime was, on the recommendation to the Mayor, funded partially (in the amount of \$385,000) from the Fund on the basis that a portion of the overtime expense was for narcotics enforcement. According to Lieutenant John Robinson of the Police Department, as of August 3, 1989, the Narcotics Forfeiture and Asset Seizure Fund had an unencumbered fund balance of \$594,311.

4. Based on discussions with the Police Department and the Mayor's Office, current pending requests to fund narcotics program activities include the following:

\$482,605	Non-personnel operating expenditures for the Narcotics Task Force
36,000	Local 50 percent match for drug education grant funds
<u>12,000</u>	Navy lease for seized vehicles
 \$530,605 Total pending requests	

Assuming the total pending requests of \$530,605 are approved by the Board of Supervisors, based on the current balance of \$594,311, there would be \$63,706 of remaining monies in the Narcotics Forfeiture Fund. However, in addition to the above pending requests, Lieutenant Robinson reports that approximately eight to nine more requests have been brought before the Police Department's Narcotics Forfeiture Fund Committee. The cost of the additional requests for funds exceeds the amount of available Narcotics Forfeiture Funds.

5. During the recent budget hearings, the Budget Analyst reported that to fully fund these requests, a policy decision must be made regarding the use of General Fund monies for activities that, in the past, have been funded with Narcotics Forfeiture and Asset Seizure Fund. At the July 12, 1989 Finance Committee meeting, the Finance Committee requested that the Mayor's Office of Criminal Justice Planning (MCJC) suggest policies and procedures for use of the Narcotics Forfeiture Fund. Ms. Pamela Sweeney of MCJC reports that the Executive Committee of MCJC met during the last week of July, 1989 and created an ad hoc committee to develop the necessary policies and procedures for the use of the Narcotics Forfeiture Fund. According to Ms. Sweeney, this MCJC ad hoc committee should be established within the next few weeks and will consist of representatives from all of the City's Criminal Justice Departments (i.e., Sheriff, Adult Probation, Police, District Attorney, Public Defender, etc.) as well as selected community representatives. Although no specific date has been established, it is anticipated that the ad hoc committee's work would be completed within approximately two months.

6. Attached are several reports provided by the Police Department regarding receipts and disbursements to the Fund, including the Airport's Federal revenue funds, since 1986.

SAN FRANCISCO POLICE DEPARTMENT
NARCOTICS FIGHTER FUND
Account Balance Sheet
As of April 15, 1987

<u>DATE</u>	<u>CK/DEP NO.</u>	<u>ITEM</u>	<u>RECEIPTS</u>	<u>DISBURSEMENTS</u>	<u>BALANCE</u>
<u>1986</u>					
08/12	3869	Deposit of U.S. Treasury Check No. 00,136,025	45,545.25		45,545.25
	3869	Deposit of U.S. Treasury Check No. 00,136,332	3,627.75		49,177.00
	3869	Deposit of U.S. Treasury Check No. 00,136,333	10,098.75		59,271.75
	3869	Deposit of U.S. Treasury Check No. 00,136,334	5,580.00		64,851.75
	3869	Deposit of U.S. Treasury Check No. 00,136,955	6,681.00		67,532.75
	3869	Deposit of U.S. Treasury Check No. 00,137,980	7,500.00		75,032.75
	3869	Deposit of U.S. Treasury Check No. 00,137,981	3,168.00		78,200.75
	3869	Deposit of U.S. Treasury Check No. 00,137,982	7,505.00		85,705.75
	3869	Deposit of U.S. Treasury Check No. 00,137,984	11,370.00		97,075.75
	3869	Deposit of U.S. Treasury Check No. 00,137,991	15,908.90		112,984.65
	3869	Deposit of U.S. Treasury Check No. 00,138,056	13,450.50		126,435.15
	3869	Deposit of U.S. Treasury Check No. 00,138,057	3,000.00		129,435.15
	3869	Deposit of U.S. Treasury Check No. 00,138,058	3,960.00		133,395.15
	3869	Deposit of U.S. Treasury Check No. 00,138,059	5,921.00		139,316.15
08/28	3870	Deposit of U.S. Treasury Check No. 00,138,549	4,937.00		144,253.15
	3870	Deposit of U.S. Treasury Check No. 00,138,831	7,066.00		151,319.15
	3870	Deposit of U.S. Treasury Check No. 00,138,835	12,973.00		164,292.15
	3870	Deposit of U.S. Treasury Check No. 00,138,836	12,371.25		176,663.40
10/03	3871	Deposit of U.S. Treasury Check No. 00,139,136	8,200.00		184,863.40
	3871	Deposit of U.S. Treasury Check No. 00,139,137	5,396.00		190,259.40
11/21	1001	Payer: Photo Metro RE: Task Force brochures, Mayor's Task Force on Narcotics Payee: The Green Company RE: Production of "Phone in the Dope..." billboard campaign	200.00	190,059.40	
	1002	RE: Drug prevention resources - with Rush Payee: Winston Network Inc. RE: Posters on Muni buses, 800 units 11" high x 28" wide	832.39	189,227.01	
	1003	RE: Posters on Muni Network Inc. RE: Posters on Muni buses, 50 units 30" high x 144" wide	125.00	189,102.01	
	1004	RE: Posters on Muni buses, 50 units 30" high x 144" wide	1,600.00	187,502.01	
	1004	RE: Posters on Muni buses, 50 units 30" high x 144" wide	2,500.00	185,002.01	
11/28	3876	Deposit of U.S. Treasury Check No. 00,139,800	36,000.00	221,002.01	
	3876	Deposit of U.S. Treasury Check No. 00,139,801	5,625.00	226,627.01	
12/04	1005	Voided Check Payee: California Video Sales, Inc. RE: Video Equipment	5,801.91	220,825.10	
	1006				
12/12	3877	Deposit of U.S. Treasury Check No. 00,140,516	17,341.20	238,166.30	
12/31	1007	San Francisco Unified School District RE: Project Nine	2,227.50	235,938.80	

<u>DATE</u>	<u>CITY/DEP NO.</u>	<u>ITEM</u>	<u>RECEIPTS</u>	<u>DISBURSEMENTS</u>	<u>BALANCE</u>
1987					
01/02		Balance forwarded			235,958.80
01/15	1008	American International Car Rental RE: rental of Undercover Vehicles, Sept. 2 - Dec 29, 1986		17,126.30	218,812.50
	1009	San Francisco Police Department RE: Reimbursement of Rental of Undercover Vehicles		4,624.97	214,187.53
01/16	1010	New Dayview Newspaper RE: Newspaper advertisement	500.00		213,687.53
01/21	1011	San Francisco Police Department RE: Reimbursement of Narcotics Hotline Overtime		5,373.42	208,314.11
02/26	1012	River Community Services RE: Project Sane	1,240.00		207,074.11
	1013	Comprehensive Health Education Foundation (CHEF) RE: Project Sane	58,734.30		148,339.61
	1014	Guaranty Office Equipment RE: Project Sane	186.30		148,155.43
	1015	Redwood Typewriter Company RE: Project Sane	744.92		147,408.51
	1016	Entre Computer Center RE: Project Sane	5,356.19		144,050.32
	1017	Photo and Sound Company RE: Project Sane	840.00		143,218.32
	1018	Sandra Glosser RE: Project Sane	2,200.00		141,018.32
	1019	Connie Neuhouser RE: Project Sane	130.00		140,888.32
	1020	Marilyn Learan RE: Project Sane	102.00		140,786.32
	1021	Nancy Hapren RE: Project Sane	102.00		140,684.32
	1022	Yerba Buena Press RE: Bus signs	2,644.80		138,039.52
	1023	Process Poster Co. RE: Junior 8 billboards		875.30	137,166.22
03/05	1024	Process Poster Co. RE: Bleed Billboards		1,405.80	135,760.42
03/19	1025	A. T. & T. RE: Project Sane		6,063.21	129,697.21
04/01	1026	Sandri Glosser RE: Project Sane		1,200.00	128,497.21
04/03	1027	Serranonte Chrysler-Plymouth, Inc. RE: Project Sane		36,669.71	91,627.50
04/15	1028	City and County of San Francisco RE: Return of funds to the City treasury		91,627.50	0.00



POLICE DEPARTMENT
CITY AND COUNTY OF SAN FRANCISCO
HALL OF JUSTICE
850 BRYANT STREET
SAN FRANCISCO, CALIFORNIA 94103

Attachment
Page 3 of 7

ADDRESS ALL COMMUNICATIONS:
FRANK M. JORDAN
CHIEF OF POLICE

IN REPLY, PLEASE REFER TO -
A/991/mc
OUR FILE: _____

April 10, 1989

The Honorable Nancy Walker
Chairperson of Finance Committee
City Hall, Room 235
San Francisco, CA 94102

Subject: Narcotics Forfeiture and
Asset Seizure Fund

Dear Supervisor Walker:

The Narcotics Forfeiture and Asset Seizure Fund has supported selected operations of the Police Department since the fund was created in 1986. From August 1986 to April 1987 the fund was administered by the Police Department as a contingency fund under the control of the Chief of Police and the Mayor, following Federal guidelines and local ordinance. Attached is a statement of activity of the fund during this time period.

After April 1987, the fund was turned over to the Controller and Treasurer for administration. The Controller provides you with quarterly reports of the status of the fund.

Since April 1987, the Police Department has made the following uses of the fund:

Drug Education (Project SANE)	62,746.80
Oceanview Playground - P.A.L.	35,000.00
Seized Vehicle Storage	3,600.00
Printer for Subpoenas	2,750.00
Forensic Lab Equipment	6,700.00
Mobile Command Van	123,000.00
Ballistic Shields	2,467.00
FAX Rental (3 for search warrants)	5,734.00
Polygraph Instrument	5,300.00
Narcotics "Flash" Money	50,000.00
Narcotics Task Force 87-88	881,258.00
Narcotics Task Force 88-89	61,440.00
Video Equip for Crime Scene Invest.	5,529.00
Two Portable Computer Terminals	6,800.00
Gas Chromatograph Upgrade	7,570.00
Reward/Information Fund	9,500.00

The Honorable Nancy Walker
April 10, 1989
Page 2

Additional requests have been made for expenditure from the fund, but final approval has not been received as of this date. If you desire any additional information regarding the Narcotics Forfeiture and Asset Seizure Fund, please contact Lieutenant John Robinson at 553-9174 for assistance.

Sincerely yours,

WILLIS A. CASEY
Deputy Chief of Police
Administration Bureau

Memorandum

San Francisco Police Department



To: Lt. John Robinson
Fiscal Officer

From: Dan Martin
Principal Accountant

Date: June 15, 1989

Subj: Narcotics Forfeiture & Asset Seizure Fund
As of May 19, 1989

APPROVED YES NO

	<u>Federal Funds</u>	<u>State Funds</u>
Revenues: Police	\$2,123,870	\$135,406
Airport	<u>649,502</u>	
Total Revenues:	\$2,773,372	\$135,406
Funds Appropriated:	<u>1,611,444</u>	<u>-0-</u>
Unappropriated Balance:	<u>\$1,161,928</u>	<u>\$135,406</u>

See attachment for itemization of expenditures.

Copies To:

Narcotics Forfeiture & Asset Seizure Fund
At May 19, 1989

Appropriations vs. Expended/Encumbered
By Project

<u>Project</u>	<u>Authorized</u>	<u>Exp./Enc.</u>	<u>Remaining Balance</u>
Prior Year Expenses	\$ 157,910.00	\$ 157,910.00	\$ -0-
Drug Education	62,746.80	59,406.56	3,340.24
Investigations	5,580.00	-0-	5,580.00
P.A.L. Oceanview	93,000.00	38,100.70 (1)	54,899.30
Auto Storage	3,600.00	3,600.00	-0-
Harris Printer	2,750.00	2,726.42	23.58
Scientific Equipment	6,700.00	6,502.21	197.79
Command Van	123,000.00	99,379.16	23,620.84
Ballistic Shields	2,467.40	2,467.40	-0-
Fac Machine Rental	5,734.00	5,734.00	-0-
Polygraph Instrument	5,300.00	5,644.50	(344.50)
Flash Money	50,000.00	50,000.00	-0-
Video Camera	5,259.00	-0-	5,259.00 (2)
Computer Terminals	6,800.00	-0-	6,800.00 (2)
Gas Chromatograph	7,570.00	-0-	7,570.00 (2)
Mostar Radios	87,131.00	87,131.00	-0-
Reward Fund	9,500.00	9,500.00	-0-
S.A.F.E. Program	33,698.00	-0-	33,698.00 (3)
N.E.T. 87-88	881,258.00	764,926.37	116,331.63
N.E.T. 88-89	61,440.00	66,156.13	(4,716.13)
Totals:	\$1,611,444.20	\$1,359,184.45	\$252,259.75

(1) Through Pay Period Ended 04/28/89

(2) Purchase Order Requested

(3) Contract Order Processing

**NARCOTICS FORFEITURE FUND
STATEMENT OF RECEIPTS & DISBURSEMENTS
FOR FISCAL PERIOD ENDING JUNE 6, 1989**

FINANCING SOURCES:

RECEIPTS FROM FEDERAL AND STATE AGENCY:
FROM INCEPTION OF FUND TO 03/31/89 2,171,659
RECEIVED DURING THE 4TH QTR ENDING 06/06/89 87,616

TOTAL REC'D FROM FEDERAL AND STATE TO DATE 2,259,275

OTHERS:

REVENUE TRANSFER-IN FROM AIRPORT 649,502

0

649,502

TOTAL FINANCING SOURCES

2,908,777

1,716,693

4,625,470

APPLICATIONS/USES:**TOTAL APPROPRIATION APPROVED**

1,611,444

1,666,954

3,278,398

EXPENDED TO DATE
OUTSTANDING ENCUMBRANCES

1,206,867

559,278

1,766,145

152,317

82,904

235,221

OTHERS:

REVENUE TRANSFER-OUT TO POLICE DEPARTMENT

649,502

649,502

TOTAL AMOUNT EXPENDED/ENCUMBERED/TRANSFERRED

1,359,184

1,291,684

2,650,868

REMAINING UNENCUMBERED APPROPRIATION

252,260

375,270

627,530

UNAPPROPRIATED REVENUE

1,297,333

49,739

1,347,072

TOTAL PENDING SUPPLEMENTS
IN-PROCESS (RO#8239, 8289, 8309)

335,820

0

335,820

NET AVAILABLE UNAPPROPRIATED REVENUE

961,513

49,739

1,011,252

Memo to Finance Committee
August 9, 1989

Item 2 - File 106-89-4

Note: This item was continued at the July 12, 1989 Finance Committee meeting.

1. This is a hearing to consider the submission of a plan from the Civil Service Commission regarding examination and classification functions.

2. At the July 12, 1989 Finance Committee meeting, the Finance Committee requested that the Civil Service Commission work with the Mayor's Office, the Controller and the CAO to develop a plan for examination and classification functions.

3. In response to inquiries by the Budget Analyst, Civil Service reports that, as of the writing of this report, the work has not been completed.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 9, 1989

Item 3 - File 101-88-100.1

Department: Police

Item: Release of reserved funds.

Amount: \$16,849

Source of Funds: Narcotics Forfeiture and Asset Seizure Fund

Purpose: Continuation of the Safety Awareness For Everyone (SAFE) anti-drug program in two of the City's public housing projects.

Description:

1. The Police Department's Narcotics Forfeiture and Asset Seizure Fund was established by the City in order to receive money or proceeds from any tangible property seized by City law enforcement agencies during arrests for the sale of narcotics. The monies obtained are to be used for law enforcement-related purposes only.
2. The proposed \$16,849 requested release of funds would enable SAFE to continue an anti-drug program in the Alice Griffith (Bayview Hunters Point) and Yerba Buena Plaza East (Western Addition) public housing sites during fiscal year 1989-90. This SAFE anti-drug program began in May, 1989 and is proposed to extend for six months, through October 30, 1989. In April, 1988, SAFE requested \$50,547 of Narcotics Forfeiture Funds for the six-month program. The Board of Supervisors approved \$33,698 of the Narcotics Forfeiture and Asset Seizure Funds to cover the costs of this program for the last four months of fiscal year 1988-89. SAFE is now requesting that the balance of the six-month cost of the program, \$16,849, be released for the remaining two months in fiscal year 1989-90.
3. This SAFE program has the following major components:
 - a. Youth education, that would establish and expand tutoring study halls on site for and by youth and adult volunteers;
 - b. Community organization, that would provide residents with crime prevention education and skills as they relate to gang activity and victimization;

BOARD OF SUPERVISORS
BUDGET ANALYST

c. Support activities that encourage members of the community to cooperate with law enforcement officials for intensified police strategies of the Narcotics Enforcement Team, district stations, Community Services Division and other specialized units; and

d. Coordination with the Housing Authority to develop an orientation program for new public housing tenants which includes a comprehensive review of the lease requirements and responsibilities of each resident to be law-abiding citizens, in order to facilitate the ability of the Housing Authority to evict those tenants who violate their lease agreements and engage in illegal activities.

4. SAFE's proposed two-month budget for the remaining \$16,849 is as follows:

Salaries (ten hrs/wk)	
Executive Director	\$1,341
Program Coordinator	1,145
Office Manager	807
Anti-Crime Specialists (10 Staff)	<u>10.524</u>
Subtotal	\$13,817
Fringe Benefits	1,504
Operating Expenses	
Copy Machine	100
Printing, Supplies	433
Liability Insurance	400
Bookkeeper	166
Local Travel	<u>429</u>
Subtotal	1,528
Total	\$16,849

Comments:

1. SAFE currently has a contract with the City to provide resident and community safety awareness and neighborhood watch activities throughout San Francisco. The fiscal year 1989-90 SAFE contract is for \$253,600, which is funded through the Police Department with General Fund monies. In addition, SAFE will receive a State Office of Criminal Justice Planning (OCJP) grant for approximately \$83,000 during fiscal year 1989-90, which required an additional local Police Department General Fund match of \$20,860, that is included in the fiscal year 1989-90 budget. Together, SAFE will receive \$357,460 for fiscal year 1989-90, of which \$274,460 or approximately 77 percent, is City General Fund monies.
2. Ms. Suzanne London, Executive Director of SAFE, also reports that SAFE has received an additional \$46,000 grant from HUD, through the San Francisco Housing Authority (SFHA). These funds are part of a larger crime prevention, community organizing and drug prevention effort in the Alice Griffith and Yerba Buena Plaza East housing sites, which are the same two housing sites for the proposed funds that are the subject of this item. According to Ms. London, the HUD/SFHA grant began in April, 1989 and these HUD/SFHA funds will enable SAFE to continue their activities at these two targeted housing sites through March, 1990.
3. The \$16,849, that is the subject of this requested release of reserve, was not placed on reserve by the Finance Committee. Rather, as shown in the Attachment, the Finance Committee approved \$33,698 for fiscal year 1988-89 and suggested that the Police Department could include the remaining \$16,849 in their 1989-90 budget. Therefore, the proposed requested release of reserve, that is before the Finance Committee, should be tabled.
4. However, the Police Department did not include the \$16,849 for the continuation of this SAFE project in the Department's 1989-90 budget. As a result, there currently are not funds for the 1989-90 continuation of the SAFE anti-drug program activities in the Alice Griffith and Yerba Buena Buena Plaza East housing projects. As noted in Comment 2 above, HUD, through the SFHA, is also funding SAFE's activities at the same two public housing sites, such that SAFE's activities at

these two public housing sites will be able to be continued through March, 1990.

5. Mr. John Madden of the Controller's Office reports that the Controller has authorization to adjust, through a clerical error, the Police Department's 1989-90 budget, thereby including the proposed \$16,849 in order to continue SAFE's activities. According to Lieutenant John Robinson of the Police Department, the Police Department's annual budget does not use the Narcotics Forfeiture and Asset Seizure Funds as a source of funds. Therefore, if the \$16,849 were to be included in the Department's annual budget, the Police Department reports that it would be more appropriate to use General Fund monies rather than the Narcotics Forfeiture and Asset Seizure Fund.

6. It should be noted, however, that the Police Commission and the Mayor's Office approved the initial requested \$50,547 (\$33,698 for 1988-89 and \$16,849 for 1989-90) from the Narcotics Forfeiture and Asset Seizure Fund. The Board of Supervisors has also approved the initial \$33,698 for fiscal year 1988-89 from the Narcotics Forfeiture and Asset Seizure Fund.

7. As of August 3, 1989, the Police Department reports that the Narcotics Forfeiture and Asset Seizure Fund had an unencumbered fund balance of \$594,311. However, as discussed in Item 1, File 97-89-31 of this report, there are several pending requests in the Mayor's Office and in the Police Department for use of the available Narcotics Forfeiture and Asset Seizure Funds.

Recommendations:

1. Table the requested release of reserved funds because the \$16,849 Narcotics Forfeiture and Asset Seizure Funds were never reserved.
2. The use of the Narcotics Forfeiture and Asset Seizure Fund is a policy matter for the Board of Supervisors. However, if the Finance Committee concurs that the Controller should fund the \$16,849 for SAFE's continued anti-drug activities at the two housing sites through the use of a clerical error, the Committee could advise the Controller as to the Committee's preference regarding the use of either the Narcotics Forfeiture and Asset Seizure Fund or the General Fund for this purpose.

Member
Board of Supervisors
City and County of San Francisco



NANCY G. WALKER

July 26, 1989

M E M O R A N D U M

TO: Sam Yockey, Controller
FR: Supervisor Nancy G. Walker *Nancy*
RE: Finance Committee File 101-88-100
Project SAFE Anti-Drug Education Program

I have requested that Greg Hobson, clerk of the Finance Committee, review the above-referenced file and his record of Finance Committee actions of our meeting of April 21, 1989.

This supplemental request presented a dilemma because the program funding crossed over from the 1988-89 fiscal year into into the next fiscal year. The original request was for a six month project totalling \$50,547.

Mr. Hobson advises me that his records indicate the following committee action with all three members present (Supervisors Walker, Ward and Hallinan):

- Approved \$33,698 to cover the period until June 30, 1989, the conclusion of the 1988-89 Fiscal Year.
- The chair instructed Captain Arnold, who was representing the Police Department at this meeting, to include the balance of \$16,547* in the Interim Budget for 1989-90.

Ms. Suzanne London, director of SAFE, has informed our office that Lt. Robinson of the Police Department's fiscal operation, indicates that the balance of the funds are not available and that she must proceed with a new request to our Finance Committee.

Please advise me on whether the Police Department can make a transfer of funds for the amount of the balance, or suggest alternatives to avoid the necessity of re-introduction of this item at Finance Committee.

Thank you for your assistance.

*Correct amount is \$16,849.

cc: Suzanne London
Peter Goldstein
Deborah Newman
Greg Hobson
Lt. Robinson
Captain Arnold

Item 4 - File 102-89-6

Department: Chief Administrative Office (CAO)

Proposed Action: Ordinance to amend the Annual Salary Ordinance for fiscal year 1989-90 to reflect the creation of four new positions.

Description: 1. The details of the proposed Salary Ordinance amendment are as follows:

<u>Proposed No. of Action</u>	<u>Positions</u>	<u>Class and Title</u>	<u>Proposed Biweekly Salary</u>	<u>Proposed Annual Salary</u>
Create	1	1446 Secretary II	\$943-\$1,141	\$24,518-29,666
Create	1	5506 Project Manager III	2,899-2,899	75,374-75,374
Create	1	5508 Project Manager IV	3,357-3,357	87,282-87,282
Create	1	A557 Deputy Fiscal Officer, CAO	2,571-2,571	66,846-66,846

Except for the 1446 Secretary II position, the above new positions would not include Salary Step increases. The proposed addition of four new positions would result in an increased annual salary of \$259,168 at the top steps.

2. The Board of Supervisors approved a resolution (File 209-89-1) which authorized the creation of a Waterfront Transportation Project Office under the CAO to coordinate the planning, financing, design and construction of a Waterfront Transportation Program. The Waterfront Transportation Program includes five major highway and transportation projects with three separate agencies to be responsible for their completion, as follows:

<u>Project</u>	<u>Agency Responsible</u>
• Embarcadero Parkway - Redevelopment of the Embarcadero as a landscaped boulevard from North Point on the north to approximately Fifth and King on the south. As part of this project, King Street is also to be redeveloped as a boulevard.	Department of Public Works

<u>Project</u>	<u>Agency Responsible</u>
• MUNI Metro Turnback - Subway extension of the MUNI Metro from the Embarcadero Station to a portal south of Howard Street in the median of the Embarcadero Parkway	Public Utilities Commission
• MUNI Metro Extension - Surface extension of the MUNI Metro from the Turnback project south and west in the median of the Embarcadero Parkway and King Street Boulevard. Five platform stations are to be included.	Public Utilities Commission
• MUNI F Line - Extension of surface tracks from Market Street north along the Embarcadero Parkway to Jones Street in the Fisherman's Wharf area.	Public Utilities Commission
• I-280 Ramps - New off/on ramps linking the elevated I-280 structure with the (new) King Street Boulevard. Also includes the removal of the unused elevated I-280 structure.	CALTRANS

3. The program is expected to have a duration of at least five years. The Project Office would include a Project Manager under the CAO, who would be responsible for the overall implementation of the project and would include additional project management and support staff to assist in financing, scheduling of contracts, engineering and administration of the Program. The staff would be phased in on an as-needed basis. The maximum anticipated annual budget is as follows:

Salaries

<u>Position Number</u>	<u>Position Title</u>	<u>No. of Positions</u>	<u>Annual Cost</u>
5508	Project Manager IV	1	\$ 87,282
5506	Project Manager III	1	75,374
A557	Deputy Fiscal Officer	1	66,846

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 9, 1989

<u>Position Number</u>	<u>Position Title</u>	<u>No. of Positions</u>	<u>Annual Cost</u>
1446	Secretary II	1	29,666
	<u>Fringe Benefits</u>		<u>64,849</u>
	<u>Subtotals</u>	<u>4</u>	<u>\$324,017</u>
	<u>Data Word Processing Maintenance</u>		<u>1,500</u>
	<u>Other Contract Services</u>		
	Office Equipment Maintenance	\$1,000	
	Copy Machine	7,500	
	Temporary Secretary	<u>3,520</u>	12,020
	<u>Routine Travel</u>		1,000
	<u>Training</u>		1,000
	<u>Other Services</u>		
	Local Field Expense	\$2,000	
	Postage-Messengers	1,500	
	Subscription	500	
	Printing	<u>1,000</u>	5,000
	<u>Telephone</u>		4,000
	<u>Materials & Supplies</u>		
	Offices Supplies	\$3,500	
	Data Processing Supplies	<u>2,500</u>	6,000
	<u>Rental of Property</u>		22,900
	<u>Equipment</u>		
	Furniture	\$8,600	
	Books	<u>500</u>	9,100
	<u>Data Processing Equipment</u>		10,000

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Service of Other Departments</u>	
Reproduction	\$2,000
City Mail Services	<u>1,000</u> <u>3,000</u>
TOTAL	<u>\$399,537</u>

4. The four positions, which would be created by this proposed ordinance, were approved by the Civil Service Commission at its meeting of August 7, 1989.

Comments:

1. The Mayor's Office and the CAO have recommended the creation of the Waterfront Project Office due to the number of agencies involved and the variety of funding sources to be used in the projects. In addition to the Public Utilities Commission and the Department of Public Works, the Port of San Francisco, the Department of City Planning and the San Francisco Redevelopment Agency have important roles in insuring the success of the Waterfront Transportation Project. The centralized planning, control and accountability of the project in the Waterfront Transportation Project Office by the CAO is intended to insure that it is implemented efficiently and expeditiously.
2. The total cost of the highway and transportation improvements, which are part of the proposed Waterfront Transportation Program, are expected to exceed \$200 million and are to be funded from a diversity of federal, state, local, and private sources, with the largest share from the Urban Mass Transportation Administration and I-280 Interstate Transfer funds. The total cost of operation of the Waterfront Transportation Project Office, in the amount of \$399,537 as shown above, is expected to be fully funded from State and Federal grants. At the request of the Finance Committee, additional information was obtained from the CAO's Office as to how the Waterfront Transportation Project Office would be funded. The additional information is included as an attachment to this report.
3. The authorization to apply for and accept grant funds for the individual capital projects of the Waterfront Transportation Program and for the operation of the Waterfront Transportation Project Office would continue to require approval by resolution of the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

4. Mr. Dave Fong, of the Controller's Office, concurs that since positions under this program are expected to be employed by the City for over six months, such positions should be enumerated in the Annual Salary Ordinance as is being proposed under this ordinance.

Recommendation: Approve the proposed ordinance based on the prior policy decision of the Board of Supervisors to authorize the creation of the Waterfront Transportation Project Office.



OFFICE OF

CHIEF ADMINISTRATIVE OFFICER

RUDOLF NOTHENBERG
CHIEF ADMINISTRATIVE OFFICER

289 CITY HALL
SAN FRANCISCO
CALIFORNIA 94102
415/554-4851

DATE: June 5, 1989
TO: Bill Courtright
FROM: Ann Branston *AB*
RE: Waterfront Project Office

Here is a brief explanation of how the Waterfront Project Office will be funded.

The Board of Supervisors has previously authorized the Public Utilities Commission and the Department of Public Works to apply for, accept, and expend grant funds to initiate planning and design work on the Muni Metro Turnback, the Muni Metro Extension and the Embarcadero Parkway. These grants include \$7.7 million in Cal Trans State Guideway funds, \$12 million from the Urban Mass Transportation Administration (UMTA), \$15 million from B.A.R.T. and \$1.6 million from the Federal Highway Administration (FHWA). Each of these grants included funding allocations for project management and administrative expenses, a portion of which would be transferred to the CAO's office to support the operation of the Waterfront Project Office. As additional grants are authorized and received in subsequent years, the Project Office would continue to be funded in this manner.

Please let me know if I can answer any additional questions.

#1967Y

Item 5 - File 100-88-21

Department: Fire Department

Item: Release of reserve

Amount: \$1,955,725

Description: According to the Fire Department the proposed release of reserve is necessary to fully fund the 30 new H2 Firefighter positions hired in May, 1989, through June 30, 1989, and to fund internal promotions. The Controller's Office reports that funding for these expenses were never reserved but that \$1,607,010 of the Fire Department's 1988-89 budget for H10 Chief's Operator salaries and fringe benefits remains on reserve.

In approving the Fire Department's 1988-89 budget, the Board of Supervisors reserved \$786,392 in Permanent Salaries - Uniform and the corresponding \$820,618 for Mandatory Fringe Benefits representing five months (February 1 through June 30, 1989) of salaries and benefits for 46-H10 Chief's Operator positions. These funds were reserved pending consideration of eliminating the 46 Chief's Operator positions as of February 1, 1989, when the Firefighters' Memorandum of Understanding was due to be renegotiated. Because of a Federal Court mandate pertaining to the Consent Decree, the positions were never eliminated. However, the related reserved funds to pay for the salaries and fringe benefits of those positions from February 1, 1989 through June 30, 1989 were never released. Instead, monies were advanced to pay for these costs.

In June, 1989, the Board of Supervisors approved a Supplemental Appropriation (File 101-88-156) which added an additional \$2.2 million of General Fund unallocated monies to the Fire Department's salaries and overtime (Extended Work Week - EWW) budgets for 1988-89. The Fire Department's request for that Supplemental Appropriation was based on the full expenditure of all amounts appropriated in the 1988-89 budget, including the funds on reserve. However, the release of reserve on the salaries and benefits was not requested at that time. The proposed release of the reserved funds would allow for the use of the monies in accordance with the intent of the prior Supplemental Appropriation Ordinance as approved by the Board of Supervisors and would repay the advanced monies used to pay the H10 Chief's Operators through June 30, 1989.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 9, 1989

Recommendation: Release the remaining reserves on the Fire Department's 1988-89 budget in the amount of \$1,607,010 including \$786,392 for salaries and \$820,618 for fringe benefits.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 6 - File 31-89-9

Department: Department of Public Health
Laguna Honda Hospital (LHH)

Item: Resolution authorizing the immediate filling of a vacant position.

Position: 2230 Physician Specialist

Retirement Date: July 1, 1989

Normal Refill Date: October 30, 1989

Proposed Refill Date: July 17, 1989

Funding Needed: \$12,200 (45 days @ \$271.11/day)

Proposed Funding Source: Excess Salary Savings

Description: Section 10, Subsection 1 of the current Annual Appropriation Ordinance permits immediate filling of a position left vacant due to death or retirement of an incumbent when a lump sum payment is made for accumulated sick leave and vacation. The immediate filling of a vacant position requires a request by the department's appointing officer, the recommendation of the General Manager, Personnel and the Mayor and approval by ordinance or resolution of the Board of Supervisors.

Comments:

1. The incumbent Physician Specialist retired on July 1, 1989, and will be paid for 85 days of accumulated sick leave which prevents refilling this position before October 30, 1989.
2. This position, which is currently vacant, serves a total of 90 patients in three wards during the daytime shift. According to Dr. Mary Ann Johnson of LHH, the LHH currently has a total of 30.5 FTE 2230 Physician Specialist including day, night and weekend staff and part-time consultants. Dr. Johnson indicates that the existing physicians that are covering the 90 patients normally covered by the vacant 2230 Physician Specialist position have increased their patient loads from 90 to 120 patients each. Dr. Johnson indicates that the increased workload on the existing physicians reduces the amount of time the physicians can spend with each patient and therefore diminishes the quality of care to each patient.

BOARD OF SUPERVISORS
BUDGET ANALYST

3. The DPH had intended to fill this position on July 17, 1989. However, due to the approval process required for immediate fillings, the position could not be filled until August 28, 1989. The funding required to fill this position is \$12,200 for 4.5 biweekly pay periods between August 28 and October 30, 1989 at Step 3. The Salary Standardization Ordinance requires that this position enters at Step 3.

Recommendation: Approve the proposed resolution

Memo to Finance Committee
August 9, 1989

Item 7 - File 124-89-15

1. The proposed ordinance would amend the San Francisco Municipal Code (Traffic Code) to allow parking revenues to be used for the Parking and Traffic Commission and Department expenditures and to authorize the Parking and Traffic Commission to make recommendations regarding the Off-Street Parking Fund.

2. According to Section 213 of Article 12 of the City's Traffic Code, all monies deposited in City parking meters are collected by the City Tax Collector and deposited in the City's Treasury. Beginning in fiscal year 1988-89, the first \$6 million of parking meter revenues collected are allocated to the City's General Fund. All parking meter funds that exceed \$6 million are credited to the Off-Street Parking Fund. In addition, the net revenues from off-street City-owned parking facilities built by the City with funds from the Off-Street Parking Fund and leased by the City to private operators, are deposited in the Off-Street Parking Fund.

3. The proposed ordinance would add language to permit the Off-Street Parking Fund to be used for both administrative and operating expenses of the Department of Parking and Traffic, the Parking and Traffic Commission and the Parking Authority. Under the current provisions, the Off-Street Parking Fund is only permitted to fund administrative expenses of the Parking Authority.

4. The proposed ordinance would also replace the Parking Authority with the Parking and Traffic Commission as the organization that is responsible for making recommendations regarding the expenditures from the Off-Street Parking Fund. However, expenditures of all funds from the Off-Street Parking Fund must be approved by the Board of Supervisors pursuant to the budget and fiscal provisions of the City Charter.

Comments

1. The proposed ordinance would provide additional administrative changes to enable the newly created Parking and Traffic Commission and Department to operate. The Parking and Traffic Commission and Department are the result of Proposition D, a Charter amendment which was approved by the voters of San Francisco in November of 1988. This amendment directed the City to consolidate all parking and traffic administrative and operating functions within one City organization.

2. Although the proposed ordinance would give the Parking and Traffic Commission the authority to make recommendations concerning the Off-Street Parking Fund, it should be noted that the Parking Authority would continue to exist. The Parking Authority is a State created body that has the authority to issue bonds, has the power to acquire property through eminent domain and has an ongoing interest in selected City parking garages (i.e., Moscone Center Garage and the Performing Arts Center Garage). As a result, the members of the Parking and Traffic Commission have the authority to convene as the Parking Authority, when needed, to exercise such specific powers or authorities.

3. On July 17, 1989, the Board of Supervisors approved the appointments for the new Parking and Traffic Commission and the new Commissioners were sworn in on July 18, 1989. To date, the Department of Parking and Traffic includes only the position of the Acting Director, Mr. Philip Chin. Mr. Chin reports that the fiscal year 1989-90 operating budget for the Parking Authority, which includes the costs for the Parking and Traffic Commission and the Parking and Traffic Department, is \$4,182,035. The fiscal year 1989-90 costs will be funded with Off-Street Parking Funds.

4. The proposed ordinance would transfer the responsibility from the Parking Authority for making recommendations regarding the expenditures in the Off-Street Parking Fund to the newly appointed Parking and Traffic Commission. According to Mr. Chin, the balance in the Off-Street Parking Fund as of July 1, 1989 was approximately \$13,389,800. The anticipated revenues to be received by the Off-Street Parking Fund during fiscal year 1989-90 is \$8,017,300. Given the \$4,182,035 annual budget, Mr. Chin reports a balance in the Off-Street Parking Fund of \$17,225,065 by the end of the fiscal year. However, Mr. Chin also reports that approximately \$12,150,000 of the fund balance has already been committed to Parking Authority projects, although these funds have not yet been appropriated by the Board of Supervisors. Based on these projections, the newly appointed Parking and Traffic Commission is anticipated to have approximately \$5,075,065 in an uncommitted fund balance at the end of fiscal year 1989-90.

Recommendation

Approve the proposed ordinance.

Items 8, 9, and 10 - Files 104-89-1, 101-89-5, 102-89-3

1. Pursuant to Charter Section 8.404, Item 8 (File 104-89-1) is a hearing to consider the Civil Service Commission certification of wage schedules for platform employees, including trainees, for the coach and bus operations of the Municipal Railway (MUNI) and conditions and benefits of employment for 1989-90; Item 9 (File 101-89-5) is a proposed ordinance amending the Annual Appropriation Ordinance 1989-90 to reflect the corresponding revenue and expenditure appropriation adjustments; and Item 10 (File 102-89-3) is the ordinance amending the Annual Salary Ordinance for 1989-90 to reflect adjustments in compensation schedules for Muni Railway Platform employees effective July 1, 1989. According to Charter Section 8.404, MUNI platform operator salary rates must be approved and funds appropriated by the Board of Supervisors by August 25 of each year.

2. Section 8.404 of the Charter provides that wages for Municipal Railway platform operators not exceed the average of the two highest rates found in the Civil Service survey of wage rates and fringe benefits paid to transit operators in street railway and bus systems in the United States operating primarily within municipalities with a population of not less than 500,000 and normally employing not less than 400 operators. (See attachment for the result of this survey). In prior years, this Charter Section has been approved by the Board of Supervisors to provide that the wages for MUNI platform operators are set at the average of the two highest rates found in the survey. In addition, the Charter provides for the establishment of a Trust Fund for MUNI platform operators. The value of City payments into this Trust Fund can be equal to the value, if any, by which the amount of fringe benefits paid to transit operators in the transit districts surveyed exceed fringe benefits paid to MUNI operators. For the 1989-90 MUNI budget, \$9,300,000 has been previously approved. As a result of this year's survey, \$878,000 will be added to the \$9,300,000 Trust Fund for a total of \$10,178,000.

3. The Civil Service survey of transit districts found that the highest transit wages are paid by the Santa Clara County Transit District and the New York City Transit Authority. The current average of the wages paid by these two districts is \$15.87 per hour. This wage compares to the current MUNI wage rate of \$15.2775 per hour and represents an increase of \$.5925 per hour. In addition the Civil Service survey notes that the wage rate in the New York City Transit Authority is scheduled for a further increase during 1989-90 so that the average hourly rate for the two districts will be \$15.87 on July 1, 1989 and \$16.29 on May 1, 1990. The latter rate is approximately 6.6 percent greater than the existing MUNI hourly wage rate of \$15.2775.

4. The increase in the pay rates resulting from the survey by the Civil Service Commission for the MUNI's platform operators will result in an additional \$.5925 per hour effective July 1, 1989 from \$15.2775 per hour to \$15.87 per hour and an additional \$.42 per hour effective May 1, 1990 from \$15.87 per hour to \$16.29 per hour. This will result in increased salary and fringe benefit

costs to the City and County of approximately \$3,500,000 in 1989-90. This latter amount, combined with the additional allocation of \$878,000 to the Trust Fund, results in a total increased cost to the City of approximately \$4,378,000 for 1989-90.

5. In addition to the \$4,378,000 for the regular Annual Salary Standardization costs, the final settlement with the transit operators group includes the following budgetary items that would result in an additional \$2,412,500 to the recently adopted fiscal year 1989-90 budget of the Municipal Railway. The \$2,412,500 includes the following specific items:

Restoration of Efficiency Budget Cuts	\$600,000
Increased Level of Service and Operator Availability	1,500,000
Preventive Health Facility	200,000
Child Care Project	110,000
Joint Safety Committee	<u>2,500</u>
Total	\$2,412,500

Together, the \$4,378,000 in regular Salary Standardization costs and the \$2,412,500 in additional budgetary items would result in a total additional cost of \$6,790,500 to the MUNI's 1989-90 budget.

6. The 1989-90 Salary Standardization Reserve contains \$46,890,000 to fund the costs of salary standardization for Municipal Railway operators, Registered Nurses, and uniformed officers of the Police and Fire Departments. Funds from this reserve are proposed for appropriation as follows:

<u>Source of Funds:</u>	<u>Amount Reserved</u>	<u>Proposed Expenditures</u>	<u>Amount Remaining</u>
General Fund	\$46,890,000	-	-
MUNI (This Request for Salary Standardization)		\$4,378,000	-
MUNI (This Request for Budgetary Items)		1,742,500	-
Nurses (future supplemental)*		14,800,000	-
Police/Fire (Item 12, File 101-89-6)		<u>21,244,052</u>	<u>-</u>
Subtotal	\$46,890,000	\$42,164,552	\$4,725,448
Transit Impact Development Fee (This Request for Budgetary Items)		670,000	
Airport Operating Fund - Fire (Item 12, File 101-89-6)	637,000	501,974	135,026
Harbor Operating Fund - Fire (Item 12 - File 101-89-6)	109,500	90,501	18,999
Totals	\$47,636,500	\$43,427,027	\$4,209,473

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- * The above proposed expenditures include costs for Registered Nurses which will be the subject of another supplemental appropriation request.

Comments

1. The remainder of the Salary Standardization Reserve, amounting to \$4,209,473, will be used to fund any potential Police and Fire salary costs stemming from the negotiations in the Cities of San Jose and Long Beach (See items 11, 12, and 13 of this report).

2. The proposed \$2,412,500 of items listed in Point 5 above, are budgetary matters and should be considered separate from the normal Annual Salary Standardization costs of \$4,378,000. As reported above, the \$4,378,000 is based on Civil Service's survey of wage schedules and conditions and benefits of the average of the two highest rates paid to transit operators (i.e., Santa Clara County Transit and New York City Transit Authority), in accordance with Charter Section 8.404. This is the City's normal procedure for Salary Standardization.

3. According to Mr. George Newkirk, Director of Labor Relations for the Municipal Railway, the proposed additional \$2,412,500 is not part of the Charter Section 8.404 Salary Standardization provisions, as stated in the proposed legislation for this item. Both Mr. Newkirk and the Civil Service Commission report that there has not been a separate survey conducted of other jurisdictions to determine whether these additional costs could be included, as per Charter Section 8.404. Rather, Mr. Newkirk stated that these items were negotiated with the Mayor's Office as matters separate from Salary Standardization. For example, with regard to "Restore Efficiency Budget Cuts" in the amount of \$600,000, Mr. Newkirk stated that this \$600,000 simply represents a restoration of budget cuts that the Mayor had recently made in the 1989-90 budget. As another example, Mr. Newkirk stated that the item "Increase Operator Availability" in the amount of \$1,500,000, would provide the Municipal Railway with 30 additional positions beyond those authorized in the 1989-90 budget recently approved by the Board of Supervisors.

4. According to Ms. Marie Blits, Lead Negotiator for the Mayor's Office, the additional \$2,412,500 was not included in the Mayor's 1989-90 proposed budget because the negotiations with the MUNI transit operators had not been completed at that time. Ms. Blits reports that, according to Charter Section 8.404, which governs Salary Standardization for MUNI operators, the additional \$2,412,500 should not be included as part of Salary Standardization.

Recommendations

1. Approve the proposed amendments to the Annual Appropriation Ordinance amounting to \$4,378,000 for regular Salary Standardization costs (101-89-5) and to the Annual Salary Ordinance (102-89-3).

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2. Approval of the proposed amendments to the Annual Appropriation Ordinance to include \$2,412,500 for additional budget items not previously included in the 1989-90 budget as recently approved by the Board of Supervisors is a policy matter for the Finance Committee. If the Committee wishes to approve these budgetary matters, the Committee should prepare in and report out legislation for these items, amending the title of the proposed legislation to exclude any reference to Charter Section 8.404 since these proposed budgetary matters were not based on the City's regular Salary Standardization process for the Municipal Railway.

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JULY 1989

CITY	OPERATORS	TRANSIT COMPANY	MAX. HOURLY RATE
San Jose, CA	995	Santa Clara County Transit District	\$15.98
New York, NY	8200	New York City Transit Authority	15.755 16.6075
Washington, D.C.	2625	Washington Metropolitan Area Transit Authority	15.355
Los Angeles, CA	3767	Southern California Rapid Transit District	14.97
Boston, MA	1552	Massachusetts Bay Transportation Authority	14.63
Chicago, IL	5146	Chicago Transit Authority	14.40
Pittsburgh, PA	1523	Port Authority of Allegheny County	14.37
San Diego, CA	560	San Diego Transit Corporation	13.60
Cleveland, OH	1165	Greater Cleveland Regional Transit Authority	13.50
Columbus, OH	414	Central Ohio Transit Authority	13.24
Philadelphia, PA	2500	Southeastern Pennsylvania Transportation Authority	12.84
Baltimore, MD	1430	Maryland Mass Transit Administrator	12.655
Milwaukee, WI	943	Milwaukee County Transit System	12.45
Houston, TX	1230	Metropolitan Transit Authority	12.21
Phoenix, AZ	465	Phoenix Transit System	12.10 /
Detroit, MI	1009	Detroit-Department of Transportation	11.20
Dallas, TX	721	Dallas Area Rapid Transit System	10.78
San Antonio, TX	594	VIA Metropolitan Transit	10.67
New Orleans, LA	722	New Orleans Regional Transit Authority	10.10

Items 11, 12, and 13 - Files 105-89-1, 101-89-6, and 102-89-5

1. Pursuant to Charter Section 8.405, Item 11 (File 105-89-1) is a hearing to consider the Civil Service Commission certification of wage schedules for Police Officers and Firefighters for 1989-90; Item 12 (File 101-89-6) is a proposed ordinance amending the Annual Appropriation Ordinance for 1989-90 to reflect the corresponding revenue and expenditure appropriation adjustments; and Item 13 (File 102-89-5) is the proposed ordinance amending the Annual Salary Ordinance for 1989-90 to reflect adjustments in compensation schedules for the Police and Fire classes subject to the requirements of Charter Section 8.405.

2. Charter Section 8.405 provides for the Civil Service staff to survey rates of compensation paid Police Officers and Firefighters in all California cities having at least a population of 350,000. For 1989-90, the Cities of Long Beach, Los Angeles, San Diego and San Jose were surveyed. As required by Section 8.405, the average maximum wage has been computed to be \$1,572 biweekly or \$40,872* annually for 4th year Police Officers (Q2) and Firefighters (H2), which would be an increase of approximately 8.78 percent over the current \$1,445 biweekly or \$37,715** annually for Q2 and H2 salaries.

3. The current 1988-89 salaries compared to the Civil Service 1989-90 salary survey results are as follows:

Police Service	Current Salaries		Salaries Based on Survey Results	
	Biweekly	Annual**	Biweekly	Annual*
0390 Chief of Police	\$3,887	\$101,451	\$4,229	\$109,954
0400 Deputy Chief	3,271	85,373	3,558	92,508
0488 Commander	2,657	69,348	2,891	75,166
0460 Secretary, Police Commission	1,915	49,981	2,083	54,158
Q80 Captain	2,248	58,673	2,446	63,596
Q63 Criminologist	2,248	58,673	2,446	63,596
Q60 Lieutenant	1,915	49,981	2,083	54,158
O380 Inspector	1,676	43,744	1,823	47,398
Q50 Sergeant	1,676	43,744	1,823	47,398
Q35 Assistant Inspector	1,550 to 1,676	40,455 to 43,744	1,686 to 1,823	43,836 to 47,398
Q2 Police Surgeon	1,445	37,715	1,572	40,872
Q2 Police Officer	1,249 to 1,445	32,599 to 37,715	1,358 to 1,572	35,308 to 40,872
Q20 Policewoman	1,249 to 1,445	32,599 to 37,715	1,358 to 1,572	35,308 to 40,872

* Based on 26 pay periods.

** Based on 26.1 pay periods.

Members assigned to two-wheel motorcycle traffic duty would receive \$228 per month in additional compensation compared to the current additional compensation of \$217 per month.

<u>Fire Service</u>	<u>Current Salaries</u>		Salaries Based on <u>Survey Results</u>	
	<u>Biweekly</u>	<u>Annual**</u>	<u>Biweekly</u>	<u>Annual*</u>
O140 Chief of Department	\$3,887	\$101,451	\$4,229	\$109,954
O145 Assistant Deputy Chief of Dept.	3,270	85,347	3,557	92,482
O150 Deputy Chief of Dept.	3,271	85,373	3,558	92,508
O155 Secretary to Chief of Dept.	2,573	67,155	2,799	72,774
H51 Assistant Deputy Chief II			2,892	75,192
H50 Assistant Chief of Dept.	2,657	69,348	2,891	75,166
H40 Battalion Chief	2,298	59,978	2,500	65,000
H39 Captain, Division of Training			2,499	64,974
H30 Captain	1,915	49,981	2,083	54,158
H29 Special Services Officer	1,914	49,955	2,082	54,132
H28 Lieutenant, Division of Training			2,082	54,132
H20 Lieutenant	1,676	43,744	1,823	47,398
H19 Airport Training Officer	1,675	43,718	1,822	47,372
H18 Coordinator of Community Services	1,675	43,718	1,822	47,372
H17 Medical Coordinator			1,822	47,372
H16 Technical Training Assistant, Fire Department			1,822	47,372
H10 Chief's Operator	1,572	41,029	1,711	44,486
H32 Captain, Bureau of Fire Prevention and Public Safety	2,164	56,480	2,354	61,204
H22 Lieutenant, Bureau of Fire Prevention and Public Safety	1,894	49,433	2,060	53,560
H24 Lieutenant, Bureau of Fire Investigation	1,894	49,433	2,060	53,560
H6 Investigator, Bureau of Fire Investigation	1,729	45,127	1,882	48,932
H4 Inspector, Bureau of Fire Prevention and Public Safety	1,729	45,127	1,882	48,932
H2 Firefighter	1,249 to 1,445	32,599 to 37,715	1,358 to 1,572	35,308 to 40,872
H110 Marine Engineer of Fireboats	1,915	49,981	2,083	54,158
H120 Pilot of Fireboat	1,915	49,981	2,083	54,158

* Based on 26 pay periods.

** Based on 26.1 pay periods.

4. Charter Section 8.405 also requires the Civil Service Commission to certify the percentage increase or decrease in the cost of living during the 12-

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BUDGET ANALYST

month period ending March 31, for San Francisco and the four surveyed cities. Civil Service has reported that during this period, the cost of living in San Francisco increased by 5.7 percent while the average increase for the four surveyed cities was 5.2 percent, a difference of 0.5 percent. Charter Section 8.405(f) permits the Board of Supervisors to increase the salaries, in addition to the rates of pay determined by the salary survey, by an amount equal to this cost of living difference between San Francisco and the surveyed cities. The rates shown above reflect a 0.5% cost of living adjustment pursuant to Charter Section 8.405(f).

5. The proposed amendment to the Annual Salary Ordinance (File 102-89-5) reflects an 8.78 percent survey increase, including the cost of living adjustment, in the rates of compensation for Police Officers and Firefighters. Under the proposed amendment to the Annual Appropriation Ordinance (File 101-89-1), the specific additional costs resulting from these new rates of pay, based on the 8.78 percent survey increase, are as follows:

	<u>Police</u>	<u>Fire</u>	<u>Total</u>
Regular Salaries	\$6,110,947	\$4,957,331	\$11,068,278
Overtime	214,901	0	214,901
Holiday Pay	131,862	334,947	466,809
Extended Work Week	67,543	442,503	510,046
Differential Pay	10,158	9,064	19,222
Related Fringe Benefits	<u>4,988,186</u>	<u>4,569,085</u>	<u>9,557,271</u>
Totals	\$11,523,597	\$10,312,930	\$21,836,527

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The proposed sources of funds (currently reserved for this purpose) are as follows:

<u>Source of Funds:</u>	<u>Amount Reserved</u>	<u>Proposed Expenditures</u>	<u>Amount Remaining</u>
General Fund	\$46,890,000		-
Police/Fire (This Request)	-	\$21,244,052*	-
MUNI (Item 9, File 101-89-5)	-	4,378,000	-
MUNI (budgetary items- See Item 9)	-	1,742,500	-
Nurses (future supplemental)**	<u> </u>	<u>14,800,000</u>	<u> </u>
Subtotal, General Fund sources	\$46,890,000	\$42,164,552	\$4,055,448
Airport Operating Fund Fire (This Request)	637,000	501,974*	135,026
S.F. Harbor Operating Fund Fire (This Request)	109,500	90,501*	18,999
Transit Impact Development Fee (MUNI budgetary items- See Item 9)	<u> </u>	<u>670,000</u>	<u> </u>
Totals	\$47,636,500	\$43,427,027	\$4,209,473

* \$21,244,052 plus \$501,974 plus \$90,501 equals \$21,836,527.

** Included in the above proposed expenditures are costs for Registered Nurses which will be the subject of another supplemental appropriation request.

Comment

In November of 1986, an amendment to Charter Section 8.405 (Proposition I) was approved by the voters which permits additional salary increases after August 25 of each fiscal year should any of the surveyed cities adopt higher rates after that date. Any such increases would be retroactive to the effective date of the surveyed cities' actions. In that regard, Mr. Pat Finney of the Civil Service Commission staff reports that the Cities of San Jose and Long Beach are still engaged in negotiations for higher pay rates than those indicated in this survey. If the final negotiated pay rates for the Cities of San Jose and Long Beach are

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different than those used in this survey, the Board of Supervisors will be so advised by the Civil Service Commission. The Controller's Office reports that an estimate of the costs from these potential changes cannot be determined at this time. However, the remainder of the Salary Standardization Reserve, amounting to \$4,209,473, will be used to fund these potential costs.

Recommendation

Approve the proposed ordinances.

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Memo to Finance Committee
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Item 14 - File 148-89-4

Department:	Department of Public Works (DPW)
Item:	Resolution authorizing the DPW to apply for, accept and expend State grant funds.
Amount:	\$46,200
Source of Grant:	State Urban Forestry Grant Program
Grant Period:	October 17, 1989 through October 16, 1990
Project:	Street Tree Reforestation Project
Project Description:	The proposed grant would provide funding for a one-year project to replant trees in 1,100 existing but empty sidewalk basins City-wide that are maintained by DPW's Division of Urban Forestry. The DPW is requesting 1,100 trees from the California Department of Forestry and will provide all the labor to plant and maintain these trees. The proposed grant would also fund DPW efforts to educate the public regarding the care and maintenance of the trees. The DPW reports that the proposed funding would be combined with DPW plans to plant and maintain an additional 1,100 trees City-wide in FY 1989-90 to be funded by previously budgeted 1989-90 Gas Tax Funds.
Project Budget:	<u>Grant Budget</u>
Trees (1,100 @ \$40/tree)	\$44,000
Educational Material - printed materials, public service announcements, and creation of a video on plant care to be made available in the City's libraries	<u>2,200</u>
Total Grant Budget	\$46,200

<u>DPW Costs</u>	
Trees (1,100 @ \$40/tree)	\$44,000
Tree stakes, ties, braces, wire meshing (2,200 sets @ \$20/set)	44,000
Labor	
- plantings (5,262 hours @ \$19.43/hr.)	\$102,246
- maintenance (7,893 hours @ \$19.43/hr.)	<u>153,370</u>
Subtotal Labor (13,155 hrs. or 6.3 FTE)	255,616
Equipment Maintenance, Repairs and Fuel	<u>21,856</u>
Total DPW Costs	\$365,472
Total of Grant Budget and DPW Costs	<u>\$411,672</u>

Indirect Costs: None

Required Match: None

Comments:

1. According to Mr. John Roumbanis of DPW, the tree plantings are necessary to replace trees in empty sidewalk basins that are under DPW's jurisdiction. A recent DPW inventory of street trees found that 2,200 DPW sidewalk basins were empty. Mr. Roumbanis indicates that the DPW considers the reforestation project a priority project in light of the street tree inventory findings. According to Mr. Roumbanis, the empty sidewalk basins are a hazard and pose a liability risk to the City. Mr. Roumbanis reports, for example, that DPW has found that claims against the City involving empty sidewalk basins cost the City approximately \$150,000 in 1983-84.

2. Mr. Roumbanis stated that the \$365,472 of previously budgeted gas tax funds would be made available for this project through a reorganization of existing urban forestry maintenance crews and a reallocation of street cleaning resources. Mr. Roumbanis indicates that a reorganization of urban forestry maintenance crews would make available 6.3 FTE of maintenance crews to plant and maintain the new trees, but would also reduce the number of existing tree maintenance inspections and the related cleanup efforts on certain streets such as Van Ness Avenue or Market Street from two visits per week to one per week. According to Mr. Roumbanis, the DPW intends to reorganize the existing tree maintenance crew and replant 1,100 trees in the empty sidewalk basins regardless of whether or not the City receives the proposed grant in order to address the City's liability risk and to establish a tree replacement crew that would be available on an ongoing basis. This is because DPW currently does not have a tree

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replanting and replacement crew. The proposed reallocation of street cleaning resources would involve the use of as-needed street cleaning personnel during dry seasons to water the new trees. According to Mr. Roumbanis, this reallocation would result in a minor reduction in street cleaning services that would be difficult to measure.

3. Although the State grant does not require that the City provide a direct local match of funds, the State grant only includes funding for the acquisition of the trees and related educational information. Therefore, the City would, in effect, be required to provide sufficient labor to plant and maintain the trees. The grant does not require that the City match the number of trees purchased. According to Mr. Roumbanis, the annual labor maintenance costs of \$153,370 reflect the strict State standards for watering the trees. However, Mr. Roumbanis indicates that DPW hopes to be able to lower the maintenance costs according to the actual watering needs of the new plants. No precise estimate of future year maintenance costs are currently available.

4. The DPW advises that the proposed legislation states that the funds would be expended prior to October 16, 1999 (p.2, lines 6 and 7), and should be revised to October 16, 1990.

Recommendations:

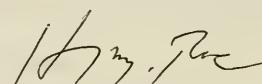
1. Approval of the proposed resolution, which would require the reallocation of resources from street cleaning to tree replantings, is a policy matter for the Board of Supervisors.
2. Should the Board of Supervisors approve the proposed legislation, revise the grant expiration date from October 16, 1999 to October 16, 1990 (p.2, lines 6 and 7).

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Item 15 - File 261-89-1

1. This item is a hearing to consider the status report on MBE/WBE participation by the Department of Public Works, Bureau of Engineering.

2. During the Spring of 1989, the Finance Committee requested that information be provided to them regarding the MBE/WBE participation specifically in the Department of Public Works, Bureau of Engineering. Mr. Vitaly Troyan of the Department of Public Works, Bureau of Engineering advised that he will attend the August 9, 1989 to provide a status report to the Finance Committee and to respond to any questions from the Committee.



Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

SF
\$90.25
#2
8/16/89

Actions Taken

CALENDAR
MEETING OF
FINANCE COMMITTEE

CITY DEPT.

AUG 18 1989

AN FRANCISCO
CITY LIBRARY

Board of Supervisors
City and County of San Francisco

WEDNESDAY, AUGUST 16, 1989 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

ABSENT: SUPERVISOR HALLINAN

CLERK: GREG HOBSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

CONSENT CALENDAR

- I. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll-call vote of the committee. There will be no separate discussion of these items unless a member of the committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
 - a) File 146-89-44. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, Bureau of Family Health to accept and expend a grant of \$867,623 from Centers for Disease Control for Perinatal AIDS prevention. (Dept. Public Health)
 - b) File 146-89-45. [Grant - State Funds] Resolution authorizing the Department of Public Health, Emergency Medical Services Agency, to apply for, accept and expend a grant of \$42,750 from the State Emergency Medical Services Authority for a study "An Analysis of Alternative Emergency Ambulance Systems in San Francisco: Tiered Versus Non-Tiered Systems." (Dept. Public Health)
 - c) File 146-89-46. [Grant - State Funds] Resolution authorizing the Department of Public Health, AIDS Office, to apply for, accept and expend a grant of \$710,000 from the State of California, Department of Health Services to continued funding of the AIDS Community Education and Prevention Project. (Dept. Public Health)
 - d) File 146-89-47. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, Community Public Health Services, Disease Control, Sexually Transmitted Disease, to apply for, accept and expend a grant of \$290,646 from the Centers for Disease Control for an evaluation of condom use and intervention to increase their use. (Dept. Public Health)
 - e) File 146-89-48. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, Bureau of Communicable Disease Control, Tuberculosis Control Division to apply for, accept and expend a grant of \$348,283 from the Department of Health and Human Services for a HIV-Related Tuberculosis Prevention Project. (Dept. Public Health)

f) File 147-89-1. [Grant - State Funds] Resolution authorizing the City Librarian to apply for, accept and expend funds not to exceed \$57,000 available in State funds for families for literacy programs for fiscal year 1989-90. (Public Library)

g) File 147-89-2. [Grant - Federal Funds] Resolution authorizing the San Francisco Public Library to apply for, accept and expend funds not to exceed \$61,649 available through the California State Library from Title I of the Library Services and Construction Act for Major Urban Resource Libraries for fiscal year 1989-90. (Public Library)

ACTION: ITEMS a, d, f and g REMOVED FROM CONSENT CALENDAR;
REMAINING ITEMS RECOMMENDED.

ITEM a - AMENDED. RECOMMENDED AS AMENDED. Place reserve on \$2,000 for equipment purchases. AMENDED TITLE: "Authorizing the Department of Public Health, Bureau of Family Health to accept and expend a grant of \$867,623 from Centers for Disease Control for perinatal AIDS prevention; placing \$2,000 on reserve."

ITEM d - AMENDED. RECOMMENDED AS AMENDED. Place reserve on \$5,600. AMENDED TITLE: "Authorizing the Department of Public Health, Community Public Health Services, Disease Control, Sexually Transmitted Disease, to apply for, accept and expend a grant of \$290,646 from the Centers for Disease Control for an evaluation of condom use and intervention to increase their use; placing \$5,600 on reserve."

ITEM f - AMENDED. RECOMMENDED AS AMENDED. On lines 2 and 21 delete "apply for". AMENDED TITLE: "Authorizing the City Librarian to accept and expend funds not to exceed \$57,000 available in State funds for Families for Literacy Programs for fiscal year 1989-90."

ITEM g - AMENDED. RECOMMENDED AS AMENDED. On lines 2 and 19 delete "apply for". AMENDED TITLE: "Authorizing the City Librarian to accept and expend funds not to exceed \$61,649 available through the California State Library from Title I of the Library Services and Construction Act for Major Urban Resource Libraries for fiscal year 1989/90."

REGULAR CALENDAR

2. File 60-89-2.1. Ballot argument supporting building safety bond issue in the amount of \$59.7 million. (Supervisor Walker)

ACTION: AMENDED. RECOMMENDED AS AMENDED. In paragraph 3, line 1 delete "24 buildings including"; on line 2 after "stations" change period to comma; after "Several" insert "other"; on line 3 delete "will be strengthen,"; add at end "Submitted by the Board of Supervisors and the Mayor". MOTION PREPARED IN AND REPORTED OUT OF COMMITTEE ENTITLED: "Authorizing official ballot argument in favor of Proposition A, a building safety bond issue in the amount of \$59.7 million."

3. File 209-89-3.1. [Ballot Argument] Official ballot argument in favor of ballot measure concerning transportation sales tax. (Supervisor Britt)

ACTION: AMENDMENT OF THE WHOLE PRESENTED IN COMMITTEE. ADOPTED. RECOMMENDED. MOTION PREPARED IN AND REPORTED OUT OF COMMITTEE ENTITLED: "Authorizing official ballot argument in favor of Proposition B, an ordinance relating to a one-half cent transportation sales tax."

4. **File 121-89-6.** [Filing and License Fees for Police Permits] Ordinance amending Part II, Chapter VIII of the San Francisco Municipal Code (Police Code) by amending Sections 2.26 and 2.27 relating to filing fees and deleting filing and license fees for motor vehicles for hire. (Mayor)

(Rereferred to Committee 7/24/89)

ACTION: CONTINUED TO SEPTEMBER 13, 1989, MEETING.

NOTE: THE CHAIR INTENDS TO ENTERTAIN A MOTION TO CONTINUE FILE 121-89-7 TO SEPTEMBER 13, 1989.

5. **File 121-89-7.** [Filing and License Fees for Motor Vehicles for Hire Permits] Ordinance amending Part II, Chapter VIII of the San Francisco Municipal Code (Police Code) by adding Sections 2.26.1 and 2.27.2 establishing separate filing and license fee schedules for motor vehicles for hire. (Police Dept.)

ACTION: CONTINUED TO SEPTEMBER 13, 1989, MEETING.

NOTE: THE CHAIR INTENDS TO ENTERTAIN A MOTION TO CONTINUE FILE 250-89-1.

6. **File 250-89-1.** To consider the City Workers' Compensation system. (Supervisor Walker)

(Cont'd from 7/19/89)

ACTION: CONTINUED TO AUGUST 30, 1989, MEETING.

7. **File 123-89-4.** [Public Telephone Booths on Public Sidewalks] Ordinance amending Section 950, 954, 957, 598, 959, 960, 962, and 706 of the San Francisco Public Works Code, regulating the placement of public telephone booths on public sidewalks, by requiring City permits and fees therefor, and providing a mechanism for enforcing these new provisions. (Supervisor Ward)

ACTION: CONTINUED TO THE CALL OF THE CHAIR.

8. **File 117-89-2.** [Reinspection Fee Collection] Ordinance amending Part II, Chapter IV of the San Francisco Municipal Code (Fire Code), by adding Section 3.104-1 to authorize lien procedures for nonpayment of reinspection fees. (Fire Commission)

ACTION: RECOMMENDED.

9. **File 101-89-8.** [Government Funding] Ordinance appropriating \$49,098, Adult Probation, for overtime - permanent and related mandatory fringe benefits. (Controller) RO #9029

ACTION: AMENDED. RECOMMENDED AS AMENDED. Place \$36,588 on reserve. AMENDED TITLE: "Appropriating \$49,098 for overtime - permanent and related mandatory fringe benefits, Adult Probation for fiscal year 1989-90; placing \$36,588 on reserve."

10. **File 101-89-10.** [Government Funding] Ordinance appropriating \$582,605, Police Department, for program project budget (Narcotics Enforcement Task Force) for fiscal year 1989-90. (Controller) RO #9034

ACTION: AMENDED. RECOMMENDED AS AMENDED. Reduce appropriation to \$482,605. AMENDED TITLE: "Appropriating \$482,605 for program project budget (Narcotics Enforcement Task Force 89-90), Police Department, for fiscal year 1989-90."

11. **File 83-89-14.** [Employee Relations Division] Resolution ratifying the Memorandum of Understanding with the Transport Workers Union of America, AFL-CIO and Transport Workers Union, Local 250-A (9163 Transit Operators). (Supervisor Walker)

ACTION: TO BOARD "WITHOUT RECOMMENDATION".

CLOSED SESSION

12. File 45-89-31. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Joyce Timmons against the City and County by payment of \$20,500. (City Attorney) (Superior Court No. 887-149)

ACTION: RECOMMENDED.

13. File 45-89-32. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Irma Agnes St. John and Michele Jajeh against the City and County by payment of \$23,750. (City Attorney) (Superior Court No. 893-027)

ACTION: RECOMMENDED.

14. File 45-89-33. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Hilda Bonner against the City and County of payment of \$7,500. (City Attorney) (Superior Court No. 870-498)

ACTION: RECOMMENDED.

15. File 46-89-10. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Kim M. Hennessy vs. The Peppermill, Inc., Yvonne E. Kinnard, et al., with defendant Peppermill Inc., and its employees and agents only, upon receipt of the sum of \$1,960.80 and authorizing the execution of all necessary documents. (City Attorney) (San Mateo Superior Court No. 298895)

ACTION: RECOMMENDED.

16. File 46-89-11. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Gregory F. Winslow vs. Freddie's at the Skyway House, et al., upon receipt of the sum of \$994.87 and authorizing discharge of lien. (City Attorney) (Kern County Superior Court No. 189027)

ACTION: RECOMMENDED.

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-89

CITY AND COUNTY



OF SAN FRANCISCO

ATTN: Jerry Roth

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

August 16, 1989

TO: ☰ Finance Committee
FROM: Budget Analyst
SUBJECT: ☐ August 16 , 1989 Finance Committee Meeting

DOCUMENTS DEPT.
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Item 1a - File 146-89-44

Department: Department of Public Health (DPH)
Item: Resolution authorizing the DPH to apply for, accept and expend a continuation Federal grant.
Amount: \$867,623
Source of Grant: Centers for Disease Control (CDC)
Grant Period: September 29, 1989 through September 28, 1990
Project: Perinatal AIDS Prevention Program
Project Description:
1. The proposed grant would fund the second year of a three-year demonstration project to provide a comprehensive, community-based Perinatal AIDS Prevention Program for IV drug-using women or partners of IV drug users. The project is aimed at developing and providing effective educational techniques to decrease HIV risk behaviors and increase contraceptive use among women at high risk of HIV infection. The project would use traditional family planning clinics, such as Planned Parenthood, and newly established non-traditional family planning clinics at places such as the Latino Family Alcoholism Program in order to improve education and clinical services to the women. The project proposes to provide initial examinations to approximately

959 women and follow-up examinations to approximately 361 women over a one-year period.

2. The University of California San Francisco (UCSF), would continue to provide contractual services on a sole-source basis to perform ongoing research and study design services. Planned Parenthood, a local non-profit agency, would provide contractual services to hire and train at least eight community outreach specialists and to coordinate community-based outreach, education and clinical services. In addition to Planned Parenthood, other community agencies that would participate in the project include Glide Memorial Church, Women's Needs Center, Haight Ashbury Free Clinic, Mission Neighborhood Health Center and the Latino Family Alcoholism Program.

Grant Budget:	Civil Service Personnel	FTE	Amount
Project Coordinator	1.00	\$51,505	
Family Planning Coordinator	0.20	10,342	
Physician	0.50	34,929	
Contracts Officer	0.25	11,381	
Clerk Typist	0.20	5,518	
Mandatory Fringe Benefits	<u>—</u>	<u>30,692</u>	
Subtotal	2.15		\$144,367
<u>Operating Expenses</u>			
Laboratory Expenses		\$6,000	
Travel (To attend in-and out of- State CDC-sponsored AIDS workshops/meetings/conferences)		5,000	
Office Supplies		2,000	
Postage		<u>1,000</u>	
Subtotal			14,000
<u>Equipment</u>			
			2,000
<u>Contractual Services</u>			
UCSF Research Contract			
Personnel (5.0 FTE)		\$178,563	
Rent		21,000	
Equipment		2,000	
Travel		5,500	
Operating Expenses		17,000	
Indirect Costs		<u>35,937</u>	
			\$260,000

Planned Parenthood Community Contract	
Fees Paid to Community Agencies for Services (959 initial exams x \$188/exam, plus 361 follow-up exams x \$76/follow-up)	\$207,728
Outreach Workers (8.0 FTE x \$16,942)	135,537
Planned Parenthood Personnel (2.0 FTE)	45,796
Planned Parenthood Indirect Costs	<u>25,939</u>
	\$415,000
Subtotal Contractual Services	\$675,000

<u>Indirect Costs</u>	<u>\$ 32,256</u>
Total	\$867,623

Indirect Costs: \$32,256 (approximately 12% of personnel costs, 5% of equipment and 2% of contractual costs).

Required Match: None

Comment: The DPH has not yet identified the types and uses of equipment that will be required by DPH for the project. According to Mr. Stephen Purser of DPH, the equipment needed could include computer equipment, examining tables or office equipment and will be determined after the grant has been approved by the State. The funds for equipment of \$2,000 should be reserved pending identification by DPH of the types, uses and cost estimates of the equipment.

Recommendations: Amend the proposed legislation by reserving \$2,000 for equipment purchases pending identification by DPH of the types, uses and cost estimates of the equipment, and approve the proposed resolution as amended.

Memo to Finance Committee
August 16, 1989

Item 1b - File 146-89-45

Department: Department of Public Health (DPH)
Emergency Medical Services Agency

Item: Resolution authorizing the DPH to apply for, accept and expend a State grant.

Amount: \$42,750

Source of Grant: State Emergency Medical Services Authority

Grant Period: July 1, 1989 through June 30, 1990

Project: Study of Alternative Emergency Ambulance Systems in San Francisco

Project Description: The proposed grant would fund a project to study alternative emergency ambulance deployment systems for San Francisco. The study will consider operational, geographic, financial, administrative, community and quality control aspects to identify the optimal deployment strategy and will involve computer simulation, analytical modelling, and comparative surveys. The University of California, San Francisco (UCSF) would perform computer simulation and engineering services through a sole-source contractual basis. The DPH anticipates that the study will require approximately six months.

Project Budget:

<u>Grant Budget</u>	
Contractual Services:	
Personnel	
Research Assistant (0.50 FTE)	\$15,625
Data Entry Clerk (0.50 FTE)	<u>10,000</u>
Subtotal	\$25,625
Simulation/Engineering Consultation	5,000
PC Computer and Software	5,000
UCSF Contracts Fee	<u>3,563</u>
Subtotal Contractual Services	\$39,188
Indirect Costs	<u>3,562</u>
Total Grant Budget	\$42,750

BOARD OF SUPERVISORS
BUDGET ANALYST

DPH Inkind Services Included in 1989-90 DPH Budget

Personnel - Civil Service	
Medical Director (0.21 FTE)	\$24,000
Chief Paramedic (0.10 FTE)	5,000
Paramedic Supervisor (0.20 FTE)	8,000
Fringe Benefits	<u>9,250</u>
Total DPH Costs	<u>\$46,250</u>
Total Project Budget	<u>\$89,000</u>

Indirect Costs: \$3,562 or approximately 8.3 percent of total grant

Comments:

1. According to DPH, UCSF would be awarded the contract on a sole-source basis due to the unique nature of the services to be provided.
2. According to Ms. Abby Wiley of DPH, DPH would receive the PC computer and software to be purchased and used for this project upon completion of the project.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

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Item 1c - File 146-89-46

Department: Department of Public Health

Item: Resolution authorizing the Department of Public Health (DPH) to apply for, accept and expend continuation State grant funds.

Amount: \$710,000

Source of Funds: California Department of Health Services

Project Period: July 1, 1989 through June 30, 1990

Project: AIDS Information and Education Programs

Project Description: The proposed grant would provide funding for the fourth (4th) year for the AIDS Information and Education Programs project. This project provides AIDS information and education to San Francisco's County jail inmates and AIDS educational training to health care and social services providers. In addition, the proposed grant would fund contractual services for AIDS information and education to the following target groups: gay and bisexual males, IV drug users, and partners of these groups with special emphasis on ethnic/racial minorities.

Project Budget:

	<u>Personnel</u>	<u>FTE</u>	
Health Program Coordinator	1.00	\$43,597	
Health Educator	0.50	19,778	
Secretary	.75	18,078	
Health Worker IV	.25	7,919	
Fringe Benefits		<u>24,130</u>	
Subtotal - Personnel	2.50		\$113,502

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BUDGET ANALYST

<u>Contractual</u>		
Bayview-Hunters Point Foundation	\$198,404	
18th Street Services	77,248	
Indian AIDS Project	51,498	
Latino AIDS Project/Instituto Familiar de la Raza	108,428	
Women's Institute on Mental Health	46,348	
San Francisco AIDS Foundation	<u>103,222</u>	
Subtotal - Contractual		585,148
<u>Indirect Costs (10% of Personnel)</u>		
Total		\$710,000

Local Match: None.

Comment: The proposed grant for \$710,000 is the same level of funds received in FY 1988-89.

Recommendation: Approve the proposed resolution.

Memo to Finance Committee
August 16, 1989

Item 1d - File 146-89-47

Department: Department of Public Health (DPH)
Community Public Health Services

Item: Resolution authorizing the DPH to apply for, accept and expend a federal grant.

Amount: \$290,646

Source of Grant: Centers for Disease Control (CDC)

Grant Period: July 1, 1989 through June 30, 1990

Project: Evaluation of Condom Use and Intervention

Project Description: The proposed grant would fund a project to evaluate the use of condoms among those who are at high risk of contracting and transmitting sexually transmitted diseases and to design and implement methods to increase condom use among those high risk populations. The proposed grant would fund a sole-source contract with the University of California, San Francisco (UCSF) to conduct the evaluation of the project.

Grant Fund:

Civil Service Personnel (4.0 FTE total)	
Nurse Practitioner (1.0 FTE)	\$43,966
Disease Control Investigator (2.0 FTE)	63,488
Sr. Clerk Typist (1.0 FTE)	<u>24,492</u> \$131,946
Fringe Benefits	38,612
Equipment	
IBM-PC 388 with 40 MB	\$5,000
Seagate Hard Disk	<u>600</u> 5,600
Travel	2,717
Supplies	
Lab Tests (2,000 tests)	\$31,900
Office Supplies	1,000
Educational Supplies (condoms and brochures)	<u>640</u> 33,540
Contractual Services - UCSF	
Personnel (0.40 FTE)	\$28,697
Overhead	<u>4,305</u> 33,002

BOARD OF SUPERVISORS
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Other Operating Expenses	
Xeroxing	\$1,200
Postage	400
Telephone	500
Mainframe computer time	1,000
Outreach	<u>15,500</u>
	\$ 18,600
Indirect Costs (20% of Personnel)	<u>\$26,629</u>
TOTAL GRANT BUDGET	<u>\$290,646</u>

Required Match: None

Comments:

1. According to DPH, the contract with UCSF would be awarded on a sole-source basis due to the unique nature of the services.
2. The City's Electronic Information Processing Steering Committee (EIPSC) has not yet reviewed the proposed purchase of the computer equipment and software. Therefore, the proposed funding of \$5,600 for the computer equipment and software should be placed on reserve pending EIPSC approval.

Recommendation: Amend the proposed resolution by reserving the amount of \$5,600 for the purchase of computer equipment and software pending EIPSC approval and approve the proposed resolution as amended.

Item 1e - File 146-89-48

Department: Department of Public Health (DPH)
Bureau of Communicable Disease Control

Item: Resolution authorizing the DPH to apply for, accept and expend a federal grant.

Amount: \$348,283

Source of Grant: U.S. Department of Health and Human Services, Centers for Disease Control (CDC)

Grant Period: August 1, 1989 through July 31, 1990

Project: HIV-Related Tuberculosis Prevention Project

Project Description: The proposed grant would fund a project to augment existing efforts to prevent tuberculosis (TB) in HIV-infected patients of methadone maintenance clinics. The DPH currently provides TB testing and treatment at the TB clinic at San Francisco General Hospital (SFGH) and works with Bay Area Addiction Research and Treatment (BAART) and Bayview-Hunters Point Methadone Clinic to provide TB screening and referral services.

The proposed grant would expand the existing efforts in order to increase the effectiveness of the TB Prevention Project for HIV-infected patients. The expanded efforts would include home visits by DPH personnel, the provision of additional testing sites, funds for bus tokens or food incentives for the patients and additional funds for radiology and laboratory testing services and record keeping and program evaluation.

Grant Budget:	<u>Civil Service Personnel</u>	<u>FTE</u>	
	Sr. Disease Investigator	1.0	\$30,567
	Health Worker II	1.0	24,143
	Secretary II	0.5	14,277
	Clerk Typist	1.0	19,272
	Microbiologist	0.5	<u>18,408</u>
	Subtotal	4.0	\$106,667
	<u>Other Personnel Items</u>		
	Bilingual Pay		\$1,352
	Overtime Pay		776
	Premium Pay		<u>194</u>
			2,322

BOARD OF SUPERVISORS
BUDGET ANALYST

Fringe Benefits \$33,581

Travel

Meetings, Seminars & Training	\$3,000
Local and Out-of-County Mileage	1,500
Bus Tokens and Passes for Patients	<u>2,500</u>
	7,000

Materials and Supplies

Office Supplies	1,500
Medical Supplies	7,500
Pharmaceuticals	1,500
Laboratory Supplies (HIV)	<u>9,654</u>
	20,154

Contractual

Bay Area Addiction Research and Treatment, Inc.	\$24,000
Bayview-Hunter's Point Foundation	24,000
Haight Ashbury Free Clinic	24,000
University of California, S.F. (Program for AIDS Counseling and Education)	24,000
Westside Community Mental Health	<u>24,000</u>
	120,000

Equipment

Vehicle	\$10,065
Typewriter	700
Telephones	1,420
Office Equipment	<u>23,076</u>
	35,261

Operating Expenses

Vehicle Maintenance	1,500
Indirect Charges (20% of Personnel)	<u>21,798</u>

Total Grant Budget

\$348,283

Funding for contractual services at five community-based treatment sites would provide one half-time registered nurse at each of the five sites.

Required Match:

None

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Comment: According to DPH, the five contracts would be awarded on a sole-source basis because the grant application process did not allow sufficient time for the DPH to issue request for proposals. Each of the five contractors are currently providing related community services for the City.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 1f - File 147-89-1

Department: San Francisco Public Library

Item: Resolution to apply for, accept, and expend a continuation grant.

Grant Amount: Not to exceed \$57,000

Source of Funds: California Library Services Act Funds, through the California Library Services Board

Grant Period: July 1, 1989 through June 30, 1990

Project: Families for Literacy Program

Description: This is a continuation of a program started in October 1988 for preschool children of parents who read at or below the fourth grade reading level. The preschool children would receive reading readiness preparation from their parents. Between 35 to 40 families concentrated in the Mission and Western Addition neighborhoods would participate in the program including a 10-week supervised enrollment period and follow-up sessions thereafter.

During the enrollment period, books are to be given to the participant families and the parents will be taught techniques in reading aloud to their children. Trained volunteers are to teach parents various methods for stimulating their child's verbal and reading skills. Participants will be recruited from housing projects, Latino reading programs and other eligible households.

The targeted parents would be concurrent participants in the adult literacy training program entitled Project Read, which was approved for funding during fiscal year 1989-90 by supplemental appropriation, Ordinance 235-89.

Grant Budget:	Personnel	FTE	Amount
Project Coordinator			
3630 Librarian I	0.925	\$35,430	
Fringe Benefits			9,740
Subtotal - Personnel	0.925		\$45,170

<u>Operating Costs</u>	
Employee Use of Car	\$360
Printing	2,500
Book Purchases	<u>3,000</u>
Subtotal - Operating Costs	\$5,860
Indirect Costs (5% of project costs)	<u>2,552</u>
Total Grant	\$53,582

Indirect Cost: \$2,552 (5% x \$51,030)

Required Match: None

Comment: Although the proposed resolution would authorize the Library to "apply for" funds not to exceed \$57,000 available in State funds, the California Library Services Board has already awarded the proposed grant to the Library in the amount of \$53,582. However, the funds have not been accepted or expended by the Library.

Recommendation: Amend lines 2 and 21 of the proposed resolution to delete the "apply for" authorization as the State has already awarded the grant to the Library, and approve the proposed resolution as amended.

Memo to Finance Committee
August 16, 1989

Item 1g - File 147-89-2

Department: San Francisco Public Library

Item: Resolution to apply for, accept and expend a Federal Grant

Grant Amount: \$61,649

Source of Grant: Federal Library Services and Construction Act (LSCA) funds through the California State Library.

Grand Period: October 1, 1989 through September 30, 1990

Grant Project: Major Urban Resource Library (MURL)

Project Description: The San Francisco Public Library plans to use its MURL grant for the expansion of the City's library collection in the fields of science, technology and foreign languages. In 1986 the San Francisco Public Library was designated by the Greater Bay Area Major Urban Resource Libraries as the Bay Area Center for science and technology.

Grant Budget: The entire \$61,649 is budgeted for the acquisition of books and related library materials for distribution as follows:

Main Library		
Science/Technology	\$30,000	
Literature (Foreign Languages)	<u>8,000</u>	
		\$38,000
Chinatown Branch		9,217
Mission Branch		5,216
Western Addition Branch		2,000
Juvenile Departments (All Libraries)		<u>7,216</u>
Total		\$61,649

Local Match: None

Indirect Costs: Indirect costs have been waived by the Mayor's Office.

Comments:

1. According to Ms. Ann Kincaid of the Public Library, the proposed Federal grant is a continuation of the MURL program for San Francisco. For the current fiscal year, San Francisco received a MURL program grant of \$55,597 for the purchase of library books. The proposed grant for FY 1989-90 provides a \$6,052 (10.9%) increase over the current grant for FY 1988-89.

BOARD OF SUPERVISORS
BUDGET ANALYST

2. Although the proposed resolution would authorize the Library to "apply for" the proposed \$61,649 grant, the Library has already made application for the funds. A grant award by the California State Library is not expected until the end of this month.

Recommendation: Amend lines 2 and 19 of the proposed resolution to delete the "apply for" authorization as the City has already applied for the State grant, and approve the proposed resolution as amended.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
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Item 2 - File 60-89-2.1

This item is a ballot argument supporting a building safety bond issue in the amount of \$59.7 million. The Budget Analyst does not normally review and report on such items.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 16, 1989

Item 3 - File 209-89-3.1

This item is a ballot argument in favor of a ballot measure concerning the transportation sales tax. The Budget Analyst does not normally review and report on such items.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 16, 1989

Item 4 - File 121-89-6

Note: This item was rereferred from the full Board of Supervisors to the Finance Committee on July 24, 1989.

1. The proposed ordinance would amend Sections 2.26 and 2.27 of the Police Code, increasing certain permit and filing fees and deleting filing and license fees for motor vehicles for hire. However, fees for Motor Vehicles for Hire shall not be finally deleted from the fee schedules included in these sections of the Police Code until a separate ordinance adopting new fee schedules for permit fees for Motor Vehicles for Hire is approved by the Board of Supervisors and signed by the Mayor (See Item 5, File 121-89-7).

2. The proposed permit and filing fee increases contained in this ordinance, which range from less than a one percent increase to a 696 percent increase, are shown in the attachment to this report. These proposed fees are the initial one-time application fees. The annual license fees, which are also included in the attachment, are not proposed to increase. As a result, the proposed increase in fees would, in most cases, not affect existing permit holders. The proposed permit and filing fee increases will go into effect 30 days after signing by the Mayor, should this ordinance be approved.

3. The fees for these permits are set to recover all costs incurred by the Police Department and Tax Collector for the issuance of permits and collection of fees for regulated activities defined under Police Code Section 2.26 and 2.27. Since costs have increased for inspections and adjudicating disputes, the proposed amendment would allow for increased fees based on increased costs incurred by the Police Department and Tax Collector. Officer Barbara Campagnoli of the Permit Division of the Police Department reports the proposed increased fees more accurately reflect the expenses incurred by the San Francisco Police Department and other City departments in issuing, regulating and inspecting Police Permits for compliance with code regulations.

Comments

1. The Police Department reports that, for fiscal year 1988-89, the total fee revenue generated from these permits and licenses was \$302,483*. If the proposed fee increases were adopted as of July 1, 1989, the Department had estimated an annual 1989-90 revenue increase of approximately \$60,000. Given that the proposed fee increases could not be adopted until at least October 1, 1989, the projected revenue increase for fiscal year 1989-90 would be reduced to approximately \$45,000. However, the revenue amount will vary according to the number and types of permits issued each year, and according to the Department, it would be difficult to give a more precise estimate of the total increased fee revenue for 1989-90. The 1989-90 budget, recently adopted by the Board of Supervisors, does not reflect this proposed increase in permit fees.

* Includes motor vehicles for hire (\$72,726).

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2. In transmitting the departmental report of fees for 1989-90, the Controller's Office reported that they concurred with the recommended fee increases, based on the unit cost information prepared by the Police Department. Sargeant Tacchini of the Police Department's Permit Section reports that no new staff positions will be created with the proposed fee increases. According to Sargeant Tacchini, time and motion studies for each type of permit were conducted to determine the actual costs to the Department to investigate and issue each type of permit. This analysis was the basis for determining each fee.

3. As mentioned above, existing filing fees and the license fee for Motor Vehicles for Hire would be deleted under this proposed ordinance effective on the date of approval of a separate ordinance adopting new fee schedules for Motor Vehicles. The ordinance proposing revisions to the Motor Vehicle for Hire fees is contained in Item 5, File 121-89-7. Motor Vehicle for Hire fees will remain at present levels until a new, separate ordinance is approved for such fees.

Recommendation

Based on the Department's policy to recover increased costs, approve the proposed ordinance.

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BUDGET ANALYST

SCHEDULE OF PERMITS AND FEES

<u>Type of Permit</u>		<u>Filing Fee</u>		<u>Percent Increase</u>
		<u>Current</u>	<u>Proposed</u>	<u>Increase</u>
Permit Amendment/Additional Partner	\$ 48	\$104	\$ 56	117 %
Advertising Vehicle	157	335	178	113
Amusement Park	292	521	229	78
Antique Shop	261	523	262	100
Auto Wrecker	171	422	251	147
Ball or Ring Throwing Games	226	413	187	83
Balloon and Kite Advertising	191	218	27	14
Billiard Parlor	211	395	184	87
Bingo games	50	50	0	0
Amendment to permit	13	50	37	285
Cabaret	503	832	329	65
Circus	274	344	70	26
Closing-Out Sale	137	262	125	91
Dance Hall Keeper	522	832	310	59
One night dance	18	39	21	117
Dealer in Fire Arms and/or Ammunition	310	657	347	120
Renewal	-	228	228	N/A
Discharge of Cannon	100	279	179	179
Distributor of Advertising				
Class A	198	331	133	67
Class B	137	291	154	112
Driverless Auto Rental	216	443	227	105
Encounter Studio				
Owner	285	1,024	739	259
Employee	70	198	128	183
Escort service				
Owner	174	768	594	341
Employee	74	198	124	168
Funeral Procession Escort	112	274	162	145
Insignia and uniform	18	18	0	0
General Soliciting Agent	108	201	93	86
Itinerant Show	278	472	194	70

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<u>Type of Permit</u>	<u>Filing Fee</u>			<u>Percent Increase</u>
	<u>Current</u>	<u>Proposed</u>	<u>Increase</u>	
Junk Dealer	\$378	\$517	\$139	37 %
Junk Gatherer				
Resident	350	582	232	66
Non-resident	154	292	138	90
Licensed Tour Guide	157	193	36	23
Loudspeaker				
Commercial	285	331	46	16
Non-commercial	19	42	23	121
Vehicle	102	340	238	233
Masquerade Ball	391	569	178	46
Massage Establishment	467	1,024	557	119
Masseur/Masseuse	70	198	128	183
Trainee	70	198	128	183
Mechanical Amusement Devices	356	368	12	3
Mechanical Contrivance	228	381	153	67
Miniature Golf Course	316	381	65	21
Mobile Caterer	403	786	383	95
Additional stop	46	99	53	115
Assistant	23	102	79	343
Transfer of stop	23	78	55	239
Museum	353	470	117	33
Nude Models in Public Photographic Studio				
Owner	277	768	491	177
Employee	79	198	119	151
Off-Heliport Landing Site	322	406	84	26
Outcall Massage	196	615	419	214

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<u>Type of Permit</u>	<u>Filing Fee</u>			<u>Percent Increase</u>
	<u>Current</u>	<u>Proposed</u>	<u>Increase</u>	
Pawnbroker	\$383	\$614	\$231	60 %
Peddler				
Fish, vegetables, fruit	291	638	347	119
Food for human consumption	291	638	347	119
Non food	158	323	165	104
Employee	36	123	87	242
Pedicab Driver	24	81	57	238
Pedicab Owner				
First pedicab	104	324	220	212
Each additional pedicab	26	207	181	696
Photographer, Public Place				
Owner	220	290	70	32
Solicitor	79	123	44	56
Photographic Solicitor				
Owner	180	290	110	61
Employee	95	123	28	29
Place of Entertainment	451	832	381	84
Poker	486	842	356	73
Amendment to permit	50	134	84	168
Public Bathhouse	491	799	308	63
Public Outcry Sales	346	471	125	36
Pushcart Peddler	283	661	378	134
Recreational Equipment Vendor	158	349	191	121
Rodeo Exhibition/Wild West Show	383	385	2	0.5
Second Hand Dealer Auto Accessories	261	523	262	100
Shooting Galley	251	523	272	108
Skating Rink	382	406	24	6
Street Photographer				
Owner	180	250	70	39
Solicitor	95	187	92	97
Tow Car Driver	70	125	55	79
Trade-In Dealer	261	523	262	100
Valet Parking				
Fixed location	105	355	250	238
Annual special event	42	355	313	745
Vehicle for Hire, Non-motorized	96	324	228	238

<u>Type of Permit</u>	<u>License Fee*</u>
Advertising Vehicle	\$115
Amusement Park	167
Antique Shop	28
Auto Wrecker	219
Ball or Rink Throwing Games	73
Balloon and Kite Advertising	39
	per quarter
Billiard Parlor	67
1st table	6
Each additional table	50
Bingo Game	180
Cabaret	148
Circus	per day
Dance Hall Keeper	188
Dealer in Firearms and/or Ammunition	259
Discharge of Cannon	22
	per day
Distributor of Advertising	
Class A	60
Class B	16
Driverless Auto Rental	145
Encounter Studio	
Owner	229
Employee	25
Escort Service	
Owner	232
Employee	40
Funeral Procession Escort	52
General Soliciting Agent	39
Itinerant Show, each concession	20
	per day

* Annual rate unless otherwise indicated.

<u>Type of Permit</u>	<u>License Fee*</u>
Junk Dealer	\$244
Junk Gatherer	
Resident	75
Non-resident	46
Licensed Tour Guide	69
Loudspeaker, Commercial	72
Masked Ball	105
	per day
Massage Establishment	249
Masseur/Masseuse	40
Trainee	10
	per 90-day permit
Mechanical Amusement Devices	
1st Machine	111
Each additional machine	17
Mechanical Contrivance	
1st machine	102
Each additional machine	16
Minature Golf Course	74
Mobile Caterer	389
Assistant	22
Museum	92
Nude Models in Public Photography Studio	
Owner	219
Employee	39
Off-Heliport Landing Site	17
	per day
Outcall Massage	211
Pawnbroker	241
Peddler	
Fish, Vegetables, Fruit	385
Food for Human Consumption	385
Non Food	89
Employee	36

<u>Type of Permit</u>	<u>License Fee*</u>
Pedicab Driver	\$ 12
Pedicab Owner	
First pedicab	174
Each additional pedicab	98
Photographer, Public Place	
Owner	92
Solicitor	35
Photographic Solicitor	
Owner	75
Employee	36
Place of Entertainment	196
Poker	141
Public Bathhouse	196
Public Outcry Sales	132
Pushcart Peddler	387
Recreational Equipment Vendor	141
Rodeo Exhibition/Wild West Show	67
	per day
Second Hand Dealer	28
Second Hand Dealer, Auto Accessories	28
Shooting Gallery	73
Skating Rink	161
Street Photographer	
Owner	75
Solicitor	36
Tow Car Driver	15
Trade-In Dealer	276
Valet Parking	
Fixed Location	149
Annual Special Event	78
Vehicle for Hire, Non-motorized	74

Item 5 - File 121-89-7

Note: This item was continued at the July 19, 1989 Finance Committee meeting.

1. The proposed ordinance would add Sections 2.26.1 and 2.27.2 to the Municipal Police Code, which would establish separate filing and license fee schedules for Motor Vehicles for Hire and would propose fee increases ranging from 40 percent to 858 percent, as shown in the sections below. Motor Vehicles for Hire include taxicabs, limousines, jitneys, motorized rickshaws, etc.

2. The proposed Part II, Chapter VIII, Section 2.26.1 of the San Francisco Municipal Code (Police Code) would apply to specific permit and filing fees that are required of individual drivers of public vehicles when submitting applications related to Motor Vehicles for Hire. These fees are paid directly to the Police Department and are generally one-time fees. The current and proposed new permit and filing fees and the percent increase in these fees, under Section 2.26.1 are as follows:

	<u>Current Fees</u>	<u>Proposed Fees</u>	<u>% Increase</u>
Color Scheme Change	52	\$300	477
Color Scheme Inspection	0	250	New Fee
Driver Address Change	0	15	New Fee
Driver Employer Change	0	50	New Fee
Interurban Bus	96	500	421
Jitney Bus Driver	86	120	40
Jitney Bus Owner	144	500	247
Limousine	96	500	421
Motorized Rickshaw	96	500	421
Motor Vehicle Annual Sworn Statement	0	45	New Fee
Motor Vehicle Insurance Change	0	500	New Fee
Motor Vehicle Permit Amendment	50	100	100
Public Passenger Vehicle Driver	31	120	287
Public Motor Vehicle Reinspection	0	75	New Fee
Radio Dispatch Reinspection	0	250	New Fee
Radio Dispatch Service Change	0	300	New Fee
Sightseeing Bus	96	500	421
Taxicab	96	500	421
Taxicab Color Scheme	0	1000	New Fee
Taxicab Radio Dispatch Service	0	1500	New Fee

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Significant increases in Motor Vehicle for Hire permit and filing fees are being proposed, ranging from 40 to 477 percent. In many cases, no estimate of a percent increase can be calculated because the proposed ordinance would establish new fee categories.

3. The proposed Part II, Chapter VIII, Section 2.27.1 of the San Francisco Municipal Code (Police Code) would apply to specific license fees that are required for Motor Vehicles for Hire based on the type of permits issued by the Police Department. These fees are paid directly to the Tax Collector and are generally collected annually. The proposed current and new license fees and the percent increase in these fees, under Section 2.27.1 are as follows:

	<u>Current Fees</u>	<u>Proposed Fees</u>	<u>% Increase</u>
Interurban Bus Owner	96	920	858
Jitney Bus Driver	15	75	400
Jitney Bus Owner	95	920	868
Jitney Bus Plate	7	20	186
Limousine Owner	96	920	858
Motorized Rickshaw Owner	96	920	858
Public Passenger Vehicle			
Driver	16	75	369
Sightseeing Bus Owner	96	920	858
Taxicab Color Scheme	0	250*	New Fee
Taxicab Radio Dispatch			
Service	0	300**	New Fee
Taxicab Owner	96	920	858

* Plus \$35 per taxicab.

**Plus \$25 per taxicab.

Significant increases in Motor Vehicle for Hire license fees are also being proposed, ranging from 186 to 858 percent. In two cases, estimates of a percent increase cannot be calculated because the proposed ordinance would establish new fee categories.

4. The Board of Supervisors previously approved an ordinance amending Article 16 of the Police Code (Ordinance 562-88) which established a separate Motor Vehicle for Hire Enforcement Fund (Section 1087) and which mandated that permit and license fees collected from the Motor Vehicle for Hire industry be used to fund the enforcement of the provisions of the Article. According to the ordinance, the actual fees are to be set by the Board of Supervisors on an annual basis in an amount that is sufficient to cover the Police Department's estimated actual expenses. The proposed ordinance, that is the subject of this item, is the Police Department's recommendations for 1989-90 increases to Motor Vehicle for Hire permit, filing and license fees.

5. The special Motor Vehicle for Hire Enforcement Fund became effective as of March 1, 1989. This fund is administered by the City Treasurer and Controller and all funds must be appropriated according to the fiscal and budgetary provisions of the City Charter. It should also be noted that Section 1085 of Article 16 states that after January 1, 1990, the permit and license fees for Motor Vehicles for Hire may not be increased more than ten percent per year.

Comments

1. The Police Department reports that the total revenues collected by the Police Department and the Tax Collector during fiscal year 1988-89 from the current Motor Vehicle for Hire permit, filing and license fees was \$306,202. The projected revenues to be collected from the proposed Motor Vehicle for Hire permit, filing and license fees would be \$1,512,075 in fiscal year 1989-90. Therefore, the proposed fees would result in an annual fee increase of \$1,205,873, or a 394 percent increase in annual revenues.

2. In response to requests by the Finance Committee at the July 19, 1989 meeting, Captain Winters of the Police Department's Support Services Division reports that the Police Department is currently meeting with the taxicab owners and drivers in order to negotiate an alternative method of raising sufficient revenues to support the Police Department's activities without adversely affecting the taxicab industry in San Francisco. For example, discussion of increasing the meter drop for each ride by \$0.10 from the current \$1.40 rate to \$1.50 is estimated to generate approximately \$1.5 million annually. If these additional meter revenues could be collected and transmitted to the Police Department, the Department reports that no increase in the existing entry permit fees would be necessary and the annual license fees could be reduced to \$20 per permit or license, a significant reduction, for example from the current Taxicab Owner rate of \$96. According to Captain Winters, these and other proposals are being discussed with the taxicab industry.

3. Captain Winters reports that the preferred method of increasing revenues to support Police Department activities will have to be brought before the Police Commission. After the Police Commission approves the new permit, filing and license fee proposal, a new ordinance will be drafted to be brought back before the Finance Committee. As a result, the proposed ordinance that is currently before the Finance Committee, which includes fee increases of up to 858 percent would no longer be applicable.

4. The Police Department wishes to generate estimated revenues of approximately \$1.5 million, based on projected total expenses of \$1,512,298 in fiscal year 1989-90. This estimate includes the provision of five existing sworn officers and 11 new civilian employees within the Police Department's Taxi Unit. In addition, these costs include portions of 21 other employees within the Police Department that would provide permit, taxi management, legal and administrative support functions to the Taxi Unit.

5. According to Mr. Bob English of the Police Department, the fiscal year 1988-89 costs of the Police Department's Taxi Unit was approximately \$600,000. Although this estimate of costs does not include any overhead expenses, these fiscal year 1988-89 costs are over \$900,000 less than what the Police Department is projecting as their costs for fiscal year 1989-90. Much of this difference is because the current staffing in the Taxi Unit includes only the existing positions of one Sergeant and four Police Officers for a total of five employees. As previously indicated, the proposed fiscal year 1989-90 staffing would include not only the existing five sworn officers but also the following 11 new civilian employees:

<u>Number of Positions</u>	<u>Classification Number</u>	<u>Title</u>	<u>Annual Salary</u>	<u>Total Annual Salaries</u>
Inspection				
3	8213	Police Service Aide	\$35,385	\$106,154
2	7381	Auto Mechanic	41,345	82,690
2	7410	Auto Service Worker	29,508	59,015
Administration/Analysis				
1	1802	Research Assistant	36,582	36,582
1	8213	Police Service Aide	35,385	35,385
2	1426	Senior Clerk Typist	26,962	<u>53,924</u>
Total Annual Salary Costs				\$373,750

In addition to the salary costs, the Police Department has estimated approximately \$101,000 of fringe benefit costs and \$296,000 of related and overhead expenses associated with these new positions, resulting in a total estimated additional cost of approximately \$770,750.

6. The proposed 11 new positions are not included in the 1989-90 budget. In order to create and fund these positions, a separate amendment to the annual salary ordinance and supplemental appropriation would be required to be approved by the Mayor and the Board of Supervisors, financed by the proposed fee or fare increases.

7. To date, the Police Department has not provided workload requirements, job functions or adequate justification for the need to add 11 new additional positions to the existing five employees that presently comprise the Taxi Unit within the Police Department. In response to inquiries by the Budget Analyst, the Department has indicated that they will prepare additional information to justify the additional staffing required.

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Recommendation

Continue the proposed ordinance to establish separate permit, filing and license fees for Motor Vehicles for Hire until negotiations between the Police Department and the taxicab industry are completed and the Department can provide additional data to justify adding 11 new positions to the Taxi Unit, the cost of which would be funded through the Department's future revenue generating proposal. The Department has advised that it continues to believe that 11 new positions are needed to administer the Police Department's Taxi Unit.

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Item 6 - File 250-89-1

Note: This item was continued at the July 19, 1989 Finance Committee meeting.

1. This item is a hearing to consider the City Workers' Compensation system.
2. According to a report prepared by Mr. Keith Grand, the City's Risk Manager, San Francisco's Workers' Compensation system incurs annual direct costs of approximately \$20 million and receives approximately 6,000 new claims per year, which result in approximately 180,000 lost days of work for the City.
3. Additional information has been prepared by the Chief Administrative Officer (CAO) and the City's Risk Manager to identify and describe the disincentives that have been built into the City's Workers' Compensation system, which have resulted in a more costly system than may be necessary. As identified, some of these disincentives are the result of State legislation, while other disincentives result from local legislation and procedures. Included in the report from the City's Risk Manager are the steps that have recently been instituted to improve the City Workers' Compensation system. The report also includes recommendations regarding the steps that still need to be taken. These additional recommendations address concerns in City departments, City procedures, local legislative actions and State legislative actions.
4. The reports and information provided by the CAO and the City's Risk Manager on the City Workers' Compensation system are contained in the Board of Supervisors' file.

Comments

1. The City's 1989-90 budget includes a total budget in all departments for Workers' Compensation of \$17,531,849. Of MUNI's 1989-90 Workers' Compensation budget of \$4.5 million (the highest amount budgeted by a single department), the Finance Committee recommended and the full Board of Supervisors adopted that a special reserve in the amount of \$700,000 be set aside to cover extraordinary claims. Monies from this reserve would be released only after further evidence of need is demonstrated to the Finance Committee.
2. The actual Workers Compensation costs incurred by nine major departments since 1984-85 is presented on the following attachment. Each of these nine major departments attended the July 19, 1989 Finance Committee meeting and reported to the Committee regarding their efforts to control their Workers' Compensation costs.

Workers Compensation - Major Departments
Actual Costs 1984-85 through 1988-89 (000)

	<u>1984-85</u>	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>	<u>1988-89*</u>	Average Annual <u>1984-89</u>
Municipal Railway	\$2,589.9	\$3,557.4	\$3,996.8	\$3,309.1	\$3,796.9	\$3,450.0
Police Department	2,163.6	2,955.8	3,434.1	2,925.7	3,552.2	3,006.3
Fire Department	1,579.9	1,770.4	2,173.5	2,015.1	2,595.2	2,026.8
Public Health	1,311.8	1,663.4	1,791.3	1,545.9	1,596.6	1,581.8
Recreation/Park	690.8	713.3	734.4	923.3	958.2	804.0
Public Works	677.3	816.0	755.1	745.9	763.5	751.6
Airport	448.8	511.7	498.7	513.1	702.4	534.9
Water	217.7	214.7	225.3	271.0	344.3	254.6
Sheriff	225.2	256.9	280.2	252.4	378.7	278.7

* Annualized projection of 11-month actuals.

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Item 7 - File 123-89-4

Department: Department of Public Works (DPW)

Item: Public Works Code Amendment

Proposed Action: Amend Sections 950, 954, 957, 958, 959, 960, 962 and 706 of the San Francisco Public Works Code to regulate the placement of public telephone booths on public sidewalks, to require City permits and the payment of fees for such telephones and to provide for the enforcement of the provision which regulates the placement of public telephone booths.

Description: The proposed ordinance amends existing legislation which regulates the installation of public telephones on public sidewalks. The City's current legislation was established at a time when the Pacific Telephone Company (currently known as Pacific Bell) had the exclusive right to maintain and operate public telephones. In most cases, the issuance of permits by the City were for the placement of the telephone booths. Such booths had to comply with the September 1966 site standards of the Department of City Planning and were subject to a design review and approval by the Art Commission. Additionally, telephone booth locations on sidewalks less than 15 feet in width required a review and recommendation from the Department of City Planning.

In compliance with existing regulations, Pacific Bell is providing the City with a monthly payment equal to 15 percent of the total receipts of the telephone coin box less an amount equal to the Federal taxes levied on those receipts. Along with such monthly payments, Pacific Bell is required to provide the Controller with a financial statement of its monthly gross receipts from public telephones.

As a result of the deregulation of the telephone business by the California Utilities Commission (CPUC) in 1986, the ownership of public telephones has expanded substantially with the possibility that virtually anyone may own a telephone located on City sidewalks. At the present time, the Department of Public Works (DPW) estimates that, since the start of telephone deregulation, which occurred approximately three years ago, "several hundred" public telephones have been installed on City sidewalks from which the City has not been receiving any revenues.

The proposed amendments to the Public Works Code reflect the need to provide appropriate regulations for current and anticipated public telephone service providers. The major changes are as follows:

- Instead of a monthly payment equal to 15 percent of coin box receipts, the owner of each public telephone located on City sidewalks would be required to pay a flat monthly fee of \$75.00 to the City, payable on a quarterly basis.
- The issuance of permits by DPW, relating to public telephones, shall consider recommendations of the Interdepartmental Staff Committee on Traffic and Transportation (ISCOTT) which replaces review standards previously established by the Department of City Planning and design approval by the Art Commission.
- Public telephone service providers would be required to submit, to the Director of Public Works, six-month financial reports which identify total telephone receipts including noncoin as well as coin box revenues. Currently only coin box revenues are reported.
- If DPW determines that the public telephone service providers are not in compliance with all of DPW's regulations, the owners of property immediately adjacent to the public telephones would be responsible for removing the telephone booths and restoring the sidewalk to the satisfaction of DPW. DPW would request such removals in the event that (1) a public telephone booth is discontinued in use at a particular location, (2) a public telephone booth has been installed without a permit, or (3) a permit is revoked or terminated by DPW.

The proposed flat monthly rate of \$75.00, per public telephone located on City sidewalks, was based on a DPW analysis of coin box revenues and growth trends in public telephone usage. The flat fee basis, in contrast to a percentage of gross receipts, would be easier to administer and enforce, given the number of telephone service providers that will now be subject to the fee, and the increasing amount of public telephone revenues attributed to other than direct coin deposits such as credit card telephone calls.

Comments:

1. According to Mr. Ronald Small of DPW Office of Financial Management (OFFMA), a total of \$289,741 in fees was received from Pacific Bell during FY 1988-89. Beginning in May of 1989, DPW is also receiving fees from A.T. & T., the long distance carrier using Pacific Bell local telephone circuits, based on 12 percent of A.T. & T. revenues. During June 1989 DPW OFFMA received \$24,782 from Pacific Bell and \$10,791 from A.T. & T. for a total of \$35,573. During June of 1989 there were 592 Pacific Bell public telephones at various sidewalk locations within the City, according to Ms. Judy Soto of the Department of Electricity.
2. Ms. Denise Brady, DPW Engineering, reports that Pacific Bell has been paying fees at only 10% of all revenues collected on individual phones which have \$150 or more in monthly gross revenues. Ms. Brady advises that DPW would be seeking back payment of fees from Pacific Bell reflecting 15% of revenues for all Pacific Bell phones. Accordingly, the Pacific Bell June 1989 payment to the City would increase by at least 50%, or \$12,391, from \$24,782 to \$37,173.
3. The June 1989 payments from Pacific Bell and A.T. & T. telephones located on City sidewalks and the June count of Pacific Bell telephones located on City sidewalks under DPW permit are as follows:

	June 1989
Pacific Bell (amended payment projected)	\$37,173
A.T. & T. payment	<u>10,791</u>
Total Monthly Payments	\$47,964
Number of telephones	<u>+ 592</u>
Average Fee Collected Per Phone, June 1989	\$81.02

4. According to Mr. Walter Ware of the Municipal Railway (MUNI), less than 100 telephones have been installed at MUNI bus shelters although approximately 755 bus shelters have been installed throughout the City, and the permit hearing process has approved approximately 90 percent or 680 of these shelters for pay telephone installations. The low number of telephone installations at bus shelters is the result of ongoing litigation between Gannett Outdoor Inc. and PayTel, Gannett's telephone service provider. At the present time Gannett Outdoor Inc. is not required to pay a fee to the City for the pay telephones installed by PayTel in contrast to those telephones installed by Pacific Bell. According to Lew Lillian, representing Gannett

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Outdoor Inc., fees collected from PayTel are used exclusively to maintain the bus shelters.

5. Ms. Brady of DPW Engineering advises that in addition to the Pacific Bell and PayTel public pay phones located on City sidewalks, there are as many as 400 other public telephone installations on sidewalks throughout the City which are owned by other telephone companies and individual property owners. Although such telephones are required to have City permits, these public telephones do not have City permits and do not pay a fee to the City.
6. Mr. Richard Evans, Director of Public Works, has advised the Budget Analyst's Office that he will be requesting a continuance of this item until August 23, 1989, in order that Deputy City Attorney Leonard Snaider, who drafted the proposed legislation, will be available to attend the Finance Committee meeting. Mr. Snaider is currently on vacation.

Recommendation: As requested by the Director of Public Works, continue the proposed ordinance.

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Item 8 - File 117-89-2

Department: Fire Department

Item: Fire Code Amendment Ordinance

Proposed Action: Amend Part II, Chapter IX, Section 3.104 of the San Francisco Municipal Code (Fire Code) to authorize penalty fees and lien procedures for nonpayment of reinspection fees.

Description: With the approval of Ordinance 366-88 in August of 1988, Section 3.104 of the Municipal Code was amended by the addition of a new subsection "(d)" to provide for (1) the reinspection of fire code violations after a reasonable period of time, and (2) the requirement of a \$60 reinspection fee to cover the costs of the reinspection. Any reinspections requiring more than one hour would result in additional fees of \$15 for each quarter of one hour for any time beyond the first hour.

It is now proposed to amend Section 3.104 further by adding Section 3.104-1 which would assist the Fire Department in the collection of the reinspection fees. If the Fire Department does not receive any payment of fees within 60 days after notice of payment due for the Fire Department's site reinspection of Fire Code violations, the responsible party will receive an additional written request for payment. That request will inform the responsible party that if the necessary payment is not received within 30 days, a penalty will be added, to the basic fee amount owed the City, in an amount equal to 10 percent of the fee owed plus additional interest at the rate of one percent per month on any outstanding amount owed to the City. In addition, a lien may be imposed on the property of the responsible party by reporting the delinquency to the Board of Supervisors and making a special assessment lien against the property.

Comment:

1. Captain Charles Farrell at the Fire Department advises that the purpose of the reinspection fee is to cover the costs of H-4 Inspectors who perform the site reinspections. According to Captain Farrell, during the first six months of fee collections for the fire violation site reinspection, only approximately \$11,000 of a total of \$33,000 in site reinspection fees have been collected, leaving a balance of approximately \$22,000 in uncollected fees.

Memo to Finance Committee
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2. According to Fire Marshall Joseph A. Medina, the purpose of the proposed ordinance is to assist the Fire Department in improving its collection rate of the existing reinspection fees which have previously been authorized by the Board of Supervisors in August of 1988.

Recommendation: Approve the proposed ordinance.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
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Item 9 - File 101-89-8

Department: Adult Probation

Item: Supplemental Appropriation Ordinance to fund Overtime costs due to extraordinary rate of absenteeism.

Amount: \$49,098

Source of Funds: General Reserve

Description: State Law requires the Investigations Division of the Adult Probation Department to complete Presentence Reports on convicted offenders. The State Law requires that the Presentence Reports must be completed within 28 days of being ordered by the courts.

According to Ms. Kathryn Hile, of the Adult Probation Department, each Presentence Report requires eight hours to complete at a cost of approximately \$191, based on the average salaries and fringe benefits of the 21 Probation Officers in the Investigations Division, or \$287 at overtime rates (\$191 x 1.5). Each Probation Officer completes an average of 20 reports each month. The entire Investigations Division could complete a total of 480 (24 Probation Officers x 20 reports per month) reports if none of the officers are absent.

In June of 1989, the 24 unit Investigations Division was understaffed because 5.5 FTE (Full Time Equivalent) Probation Officers were on long term leave due to illness or injury, 2.5 FTE officers were on vacation or sick leave, one officer was on jury duty, one officer was assigned to other duties and one officer was in training leaving only 13 officers to complete Presentence Reports. The number of Probation Officers assigned to work on Presentence Reports, the number actually on duty and the number of reports ordered by the courts for 1988-89 are as follows:

<u>Month/Year</u>	<u>Assigned Officers</u>	<u>Officers on Duty</u>	<u>Presentence Reports Ordered*</u>
July 1988	22	15.0	372
August 1988	22	15.5	480
September 1988	22	15.5	428
October 1988	23	15.0	375
November 1988	23	18.0	386
December 1988	23	17.4	423
January 1989	24	16.5	421
February 1989	24	17.5	334
March 1989	24	17.0	493
April 1989	24	16.0	374
May 1989	24	15.0	410
June 1989	24	13.0	427

* Average of 410 reports.

Because of the high number of Presentence Reports ordered by the courts, averaging 410 each month in 1988-89 and because the number of Probation Officers actually on duty completing reports was low throughout 1988-89, the Mayor authorized the Adult Probation Department to use approximately \$30,000 in excess Salary Savings to pay for overtime costs, at time and one half, necessary to complete reports within the 28 day limit required by State law. However, in June of 1989, the excess Salary Savings was depleted and 32 reports were completed on overtime to be charged and paid for by this proposed Supplemental Appropriation. The cost of preparing the 32 reports at \$287 each is a total of \$9,184 for salaries and fringe benefits.

Although only \$9,184 is necessary to pay overtime costs already incurred, instead of the requested \$49,098 amount that was computed based on preliminary estimates of the number of reports to be assigned in June 1989 and subsequent future months in 1989-90, Ms. Hile indicates that the Adult Probation Department would like to have the full \$49,098 appropriated now in order to have funds available to pay overtime as needed in 1989-90. According to Ms. Hile, the problems with officers being absent due to extended illnesses, injuries and jury duty became critical in June 1989, too late to add a request for a new appropriation of overtime in the 1989-90 budget. The Adult Probation Department expects the number of assignments for Presentence Reports to continue to increase as a result of the increased number of drug related court cases, which will result in an increased use of overtime to complete the assigned reports in the time allowed by State Law.

BOARD OF SUPERVISORS
BUDGET ANALYST

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Recommendation: Amend the proposed Supplemental Appropriation to reduce the requested amount by \$39,914 from \$49,098 to \$9,184, the amount necessary to pay for overtime costs already incurred, and approve the proposed ordinance as amended. The Adult Probation Department should provide more concrete information confirming the rate of future absenteeism in 1989-90 when requesting additional supplemental funding for Overtime. If subsequent appropriate documentation is provided, the Budget Analyst will recommend approval of any additional needed funds at that time.

BOARD OF SUPERVISORS
BUDGET ANALYST

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August 16, 1989

Item 10 - File 101-89-10

Department: Police
Item: Supplemental Appropriation
Amount: \$582,605
Source of Funds: Narcotics Forfeiture and Asset Seizure Fund
Purpose: To fund the fiscal year 1989-90 non-salary activities of the Narcotics Enforcement Task Force.
Description:

1. The Police Department's Narcotics Forfeiture and Asset Seizure Fund was established by the City in order to receive money or proceeds from any tangible property seized by City law enforcement agencies during arrests for the sale of narcotics. The monies obtained are to be used for law enforcement-related purposes only.
2. The proposed \$582,605 supplemental appropriation would be used to fund the non-salary portion of the Police Department's Special Operations Bureau's Narcotics Enforcement Task Force (Task Force). The Task Force, located at 1815 Egbert Street, is responsible for providing law enforcement activities specifically directed against local narcotics traffic. The salary costs for the Task Force are included in the Police Department's 1989-90 budget, that was recently approved by the Board of Supervisors.
3. The proposed non-salary budget for the \$582,605 supplemental appropriation is as follows:

Personnel

Overtime

Based on availability of Narcotics Forfeiture Fund	\$250,000
-------------------------------------------------------	-----------

Vehicles

Vehicle Purchase

15 undercover vehicles @ \$10,712/vehicle	160,680
----------------------------------------------	---------

Vehicle Outfitting

Radio sirens and red lights 15 vehicles @ \$295/vehicle	4,425
------------------------------------------------------------	-------

Vehicle Maintenance

FY 1988-89 costs were \$83,022	89,000
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BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Operating</u>	
Materials and Supplies	6,000
Rental of Pagers	
Ten pagers @ \$14/month/pager	
plus cost increase adjustment	2,000
Cellular Telephones	
FY 1988-89 costs were \$8,117	8,000
Copy Machine Rental	7,500
 <u>1815 Egbert</u>	
Rent	6,000
Janitorial Services	17,000
Utilities	<u>32,000</u>
Total	\$582,605

Comments:

1. According to Lieutenant John Robinson of the Police Department, the Narcotics Enforcement Task Force has received funding from the Narcotics Forfeiture and Asset Seizure Fund since fiscal year 1987-88. In 1987-88, the Task Force received \$881,258 of Narcotics Forfeiture Funds. In 1988-89, because of the limited amount of available funds, the Task Force received \$61,440 of Narcotics Forfeiture Funds. Lieutenant Robinson reports the the Police Department requested a total of \$811,297 of Narcotics Forfeiture Funds for 1989-90 and the Mayor's Office reduced the request to \$582,605.
2. Mr. Peter Goldstein of the Mayor's Office reports that there was a miscommunication between the Mayor's Office and the Police Department regarding a deposit in the Narcotics Forfeiture Fund. As a result, there will not be sufficient monies in the Narcotics Forfeiture Fund to fund the Mayor's pending requests for Narcotics Forfeiture Funds (See Comment 6). The Mayor's Office therefore requests that the proposed supplemental appropriation be reduced by \$100,000 from \$582,605 to \$482,605 and that the proposed Overtime line item be specifically reduced by the \$100,000 from \$250,000 to \$150,000.

3. Lieutenant John Robinson of the Police Department reports that during fiscal year 1988-89, the Task Force expended 29,941 hours of paid overtime. If the number of Task Force overtime hours remains approximately the same during fiscal year 1989-90, the Department reports that approximately \$882,660 of overtime costs will be incurred this fiscal year ($29,941 \times \$29.48/\text{hour}$). Based on the proposed supplemental appropriation and the Mayor's further recommended reduction in the Task Force's overtime budget, the Police Department's Task Force could incur either an additional \$632,660 (\$882,660 - \$250,000) or \$732,660 (\$882,660 - \$150,000) of overtime expenses in 1989-90. Unless the Narcotics Forfeiture Fund were able to finance these additional expenditures, the overtime costs would have to be funded from the General Fund.
4. Mr. Sam Yockey of the Controller's Office reports that an additional approximately \$400,000 of Police Department overtime expenses were identified at the end of fiscal year 1988-89. This is in addition to the \$1.5 million supplemental appropriation for Police Department overtime expenses that was approved by the Board of Supervisors in June, 1989. Mr. Goldstein reports that the Mayor's Office recognizes the discrepancy between the proposed \$150,000 overtime line item and the Department's actual previous overtime expenditures and that the Mayor's Office will be working with the Police Department to control the cost of overtime expenses during the coming year.
5. It should also be noted that the Police Department had originally requested purchasing 30 additional vehicles. Although recognizing the need for the additional 30 vehicles, the Mayor's Office reduced the request to 15 vehicles and directed the Police Department to obtain title to an additional approximately 15 seized vehicles that the Police Department is currently storing. These vehicles have been seized from drug traffickers.
6. As of August 14, 1989, the Police Department reports that the Narcotics Forfeiture and Asset Seizure Fund had a fund balance of \$594,311. However, as indicated below, additional federal revenue of \$31,678 coupled with previously approved expenditures and the proposed supplemental appropriation, if approved in full, would result in a balance of \$14,535 in the Narcotics Forfeiture Fund.

BOARD OF SUPERVISORS
BUDGET ANALYST

Current Fund Balance (August 14,1989)	\$594,311
Additional Revenues	
Federal Deposit	<u>31,678</u>
Total	\$625,989
Additional Expenditures	
Navy lease for vehicle storage	12,000
SAFE project	16,849
Narcotics Task Force (This item)	582,605
Total	\$611,454
Balance	\$14,535

According to the Police Department and the Mayor's Office, a request for \$36,000 from the Narcotics Forfeiture Fund is scheduled to be heard next week at the August 23, 1989 Finance Committee meeting. If the \$582,605 supplemental appropriation is approved by the Board of Supervisors, there will not be sufficient funds to finance the upcoming request.

Recommendation:

The use of the Narcotics Forfeiture and Asset Seizure Fund is a policy matter for the Board of Supervisors. However, if the Finance Committee concurs with the Mayor's Office to reduce the Overtime line item by \$100,000, the Committee could reduce the proposed supplemental by \$100,000 from \$582,605 to \$482,605.

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Item 11 - File 83-89-14

The proposed resolution would ratify the Memorandum of Understanding with the Transport Workers Union of America, AFL-CIO and Transport Workers Union, Local 250-A (9163 Transit Operators). The Budget Analyst does not normally review and report on such items.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 16, 1989

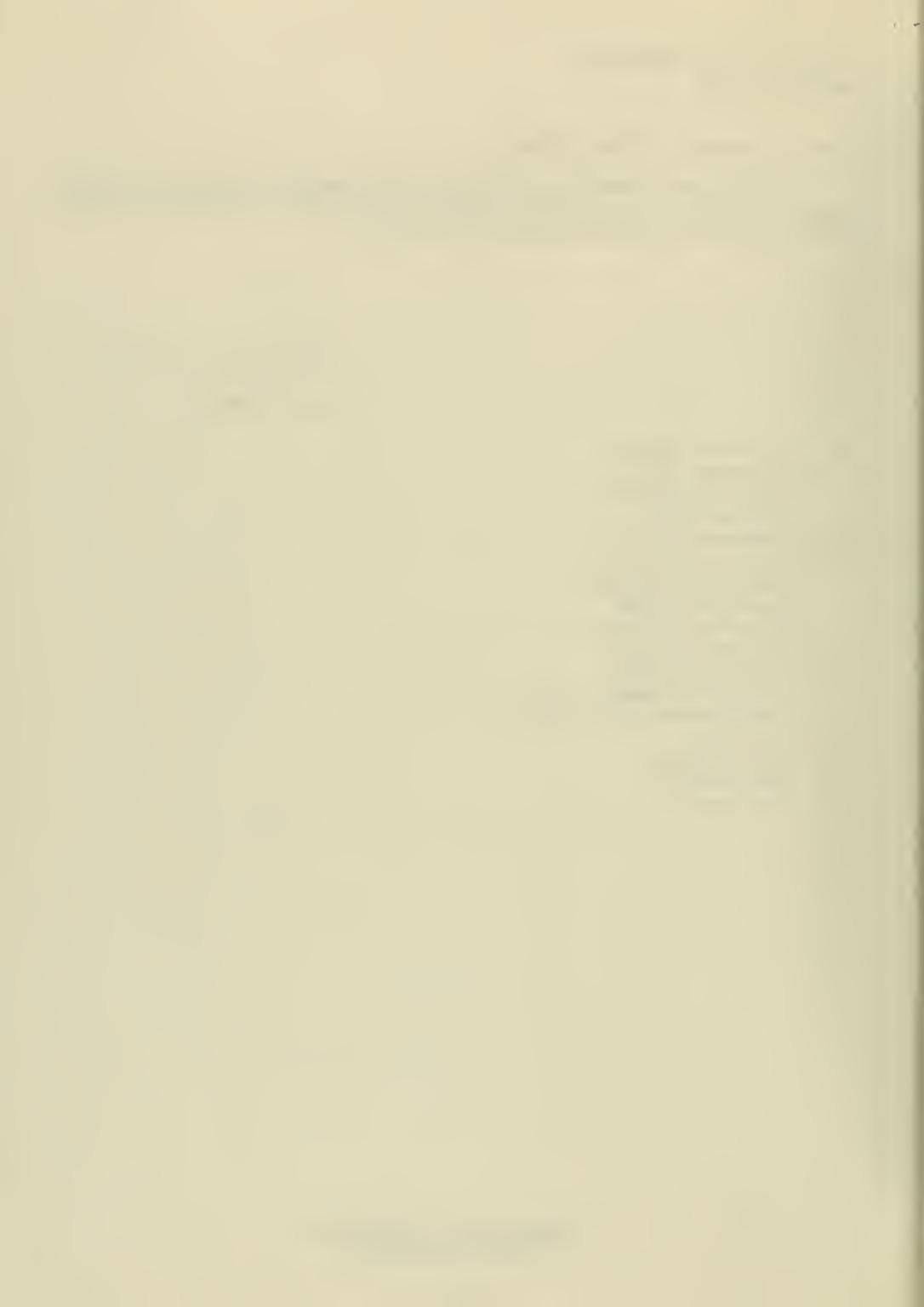
Items 12 through 16 - Files (various)

The proposed ordinances authorizing settlements of litigation are legal matters under the responsibility of the City Attorney's Office. The Budget Analyst does not normally review and report on such items.



Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey



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[ACTION(S) TAKEN]

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MEETING OF
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DOCUMENTS DEPT.

AUG 25 1989

SAN FRANCISCO
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WEDNESDAY, AUGUST 23, 1989 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

ACTING CLERK: BARBARA TAYLOR

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll-call vote of the committee. There will be no separate discussion of these items unless a member of the committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
 - a) File 107-89-5. [Agreement] Resolution authorizing the execution of an agreement between the City and County of San Francisco and Charila Foundation/Catholic Youth Organization to provide funds in the amount of \$52,663 for in-home intensive treatment services to families with children at risk of out-of-home placement or where reunification of the family is the goal for fiscal year 1989-1990, commencing September 1989. (Dept. Social Services)
 - b) File 107-89-6. [Agreement] Resolution authorizing the execution of an agreement between the City and County of San Francisco and Family Service Agency of San Francisco to provide funds in the amount of \$35,720 for diagnostic, educational, counseling services to families and children at risk of neglect and abuse for fiscal year 1989-1990, commencing September 1989. (Dept. Social Services)
 - c) File 107-89-7. [Agreement] Resolution authorizing the execution of an agreement between the City and County of San Francisco and the Regents of the University of California, San Francisco to provide funds in the amount of \$43,886 for crisis intervention and extended treatment to families with children at high risk from abuse and neglect for fiscal year 1989-1990, commencing September 1989. (Dept. Social Services)
 - d) File 107-89-8. [Agreement] Resolution authorizing the execution of an agreement between the City and County of San Francisco and Child Abuse Council, Inc., to provide funds in the amount of \$36,572 for professional training and community education to the public on child abuse and through the media generate greater public awareness of the problem of child abuse for the fiscal year 1989-1990, commencing September 1989. (Dept. Social Services)

- e) File 172-89-4. [Lawsuit] Resolution authorizing Tax Collector attorney to institute legal proceedings for the recovery of value of services rendered at hospital facilities operated by the San Francisco Department of Public Health. (Treasurer)
- f) File 186-89-20. [Emergency Contract] Resolution authorizing the Department of Public Health, San Francisco General Hospital to enter into an emergency contract for the provision of radiologic technologists through Western Medical Services. (Dept. Public Health)
- g) File 186-89-21. [Emergency Contract] Resolution authorizing the Department of Public Health, San Francisco General Hospital to enter into an emergency contract for the provision of routine baseline and screening mammography examinations through the Breast Evaluation Center. (Dept. Public Health)
- h) File 262-89-1. [Unclaimed Monies] Resolution authorizing the transfer of unclaimed monies deposited in the Family Support Trust Fund to the General Fund. (District Attorney)

ACTION: ITEMS D, F, G REMOVED FROM CONSENT CALENDAR. REMAINING ITEMS RECOMMENDED.

ITEM D - RECOMMENDED AS AMENDED. (Title amended to read "between the City and County of San Francisco and the San Francisco Child Abuse Council, Inc.")

ITEM F - RECOMMENDED AS AMENDED. (contract extended to October 31, 1989)

ITEM G - AMENDMENT OF THE WHOLE ADOPTED. RECOMMENDED AS AMENDED. (Add to title "and providing for ratification of action previously taken")

REGULAR CALENDAR

2. File 186-89-19. [Emergency Contract] Resolution authorizing the Department of Public Health, San Francisco General Hospital to enter into an emergency contract for the provision of routine radiography examinations through the Mission Imaging Center. (Dept. Public Health)

ACTION: AMENDMENT OF THE WHOLE ADOPTED. RECOMMENDED AS AMENDED. (Add to title "and providing for ratification of action previously taken.")

3. File 101-88-84.1. [Release of Reserve Funds] Resolution authorizing the Controller to release \$350,000 held in reserve to the Parking Authority for architectural services at Polk/Bush Parking Garage. (Parking Authority)

ACTION: HEARING HELD. APPROVE RELEASE OF \$284,650. TABLED.

4. File 47-89-8. [Reject/Award Lease Bid] Resolution rejecting bid of Metropolitan Parking Corporation in response for bids for management contract at Moscone Center Garage and awarding said bid to Five Star Parking as the lowest, responsive and responsible bidder. (Parking Authority)

ACTION: RECOMMENDED.

5. File 27-89-9.1. [Airport-Rates and Charges Finding] Resolution making a finding that the schedule of rates and charges for common use facilities established by the Airports Commission effective July 1, 1989, will be sufficient to pay for maintenance and operation expenses of the Airport and will not require any tax subsidy. (Airports Commission) (COMPANION TO THE FOLLOWING FILE)

ACTION: RECOMMENDED.

6. File 27-89-9. [Airport-Rates and Charges] Resolution approving changes to the schedule of rates and charges for common use facilities at San Francisco International Airport as established by Airports Commission. (Airports Commission) (COMPANION TO THE PRECEEDING FILE)

ACTION: RECOMMENDED.

7. File 79-89-3. [Federal Funding - Community Development] Resolution approving the transfer of \$100,000 from the 1986 Community Development Program contingencies for new facility development activity proposed by the San Francisco Senators; and approving Addendum Number 3 to the 1986 Community Development Program. (Supervisor Ward)

ACTION: RECOMMENDED.

8. File 101-89-9. [Government Funding] Ordinance appropriating \$36,000, Police Department, for program project budget (local share-grant/subventions). (Controller) RO #9033

ACTION: HEARING HELD. CONTINUED TO AUGUST 30, 1989.

9. File 101-89-12. [Appropriation Ordinance] Ordinance amending Annual Appropriation Ordinance for 1989-90 to authorize Controller to transfer funds to give effect to salary standardization amendments adopted pursuant to Charter Sections 8.403, 8.404 and 8.405. (Controller)

ACTION: RECOMMENDED.

10. File 60-89-2.2. To consider rebuttal argument concerning Proposition A, building safety bond issue in the amount of \$59,700,000. (Supervisor Walker)

ACTION: FILED.

11. File 209-89-3.2. To consider rebuttal argument concerning Proposition B, transportation sales tax. (Supervisor Britt)

ACTION: HEARING HELD. REBUTTAL ARGUMENT RECOMMENDED. MOTION PREPARED IN AND REPORTED OUT OF COMMITTEE ENTITLED, "Authorizing rebuttal to official argument concerning Proposition B, a One-Half Cent Sales Transportation Tax." RECOMMENDED. (Supv. Hallinan dissenting.)

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OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST *Recommendations*

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August 23, 1989

DOCUMENTS DEPT.

TO: Finance Committee

AUG 28 1989

FROM: Budget Analyst

SAN FRANCISCO
PUBLIC LIBRARY

SUBJECT: August 23, 1989 Finance Committee Meeting

Items 1a, 1b, 1c and 1d - Files 107-89-5, 107-89-6, 107-89-7 and 107-89-9

Department: Department of Social Services (DSS)

Item: Resolutions authorizing DSS to execute continuation agreements with certain agencies which provide child abuse and neglect prevention services. In 1989-90, the City will continue agreements with Charila Foundation/Catholic Youth Organization, Family Service Agency, Regents of the University of California, San Francisco General Hospital and San Francisco Child Abuse Council, Inc.

Source of Funds: Children's Trust Fund, pursuant to Section 10.117.34 of the Administrative Code.

Amount: \$168,841

Contract Period: September 1, 1989 through August 31, 1990.

Description: The Children's Trust Fund was established by AB 2994 (Chapter II of the State Welfare and Charitable Contributions Code) which provides for \$4.00 of each \$8.00 birth certificate fee to be credited to this Fund for child abuse and neglect prevention and intervention programs. The fund is administered by DSS.

The proposed continuation agreements are summarized as follows:

Charila Foundation/Catholic Youth Organization
(CYO) (File 107-89-5) \$52,663

The Charila Foundation, in cooperation with the CYO, will provide 1,200 hours of intensive in-home treatment to an estimated 36 families with children at risk of placement in foster care or where reunification of the family is the goal. The proposed budget would be as follows:

Personnel:	
Salaries	\$37,810
Fringe Benefits	<u>10,115</u>
Subtotal - Personnel	\$47,925
Operating Expenses:	
Contract Services	\$6,240
Rent	1,440
Travel	1,107
Telephone	770
Office Supplies	540
Utilities	120
Audit and Insurance	<u>2,800</u>
Subtotal - Operating Expenses	<u>\$13,017</u>
Total Program Budget	\$60,942
Less Contractor's Match	<u>8,279</u>
Net City Contract	\$52,663
<u>Family Service Agency (File 107-89-6)</u>	\$35,720

The Family Service Agency will provide individual and group diagnostic, educational and counseling services aimed at increasing parent's coping abilities, parenting skills and self-esteem. Services will be provided to between 80 and 100 parents whose children are in out-of-home placements or are in-home dependents. The proposed budget would be as follows:

Personnel:		
Salaries	\$29,030	
Fringe Benefits	<u>4,632</u>	
Subtotal - Personnel		\$33,662
Operating Expenses:		
Consultation	\$5,444	
Office Supplies	150	
Duplicating/Printing	100	
Childcare	1,800	
Transportation	30	
Parent Group Expenses	300	
Insurance	<u>540</u>	
Subtotal - Operating Expenses		\$8,364
Indirect Costs		<u>5,215</u>
Total Program Budget		\$47,241
Less Contractor's Match		<u>11,521</u>
Net City Contract		\$35,720
<u>Regents of the University of California, San Francisco (UCSF), San Francisco General Hospital, Ward 95, Building 90 (File 107-89-7)</u>		\$43,886

UCSF will provide approximately 2,275 hours of in-home and out-of-home intervention and extended treatment to an estimated 20-28 families with children at high risk from neglect and abuse through the infant-parent psychotherapy program at San Francisco General Hospital. The proposed budget would be as follows:

Personnel:		
Salaries	\$31,155	
Fringe Benefits	<u>6,684</u>	
Subtotal - Personnel		\$37,839
Operating Expenses:		
Office Supplies	323	
Indirect Costs		<u>5,724</u>
Total		\$43,886

San Francisco Child Abuse Council, Inc.
(File 107-89-9)

\$36,572

This agency will provide approximately 840 hours of professional training and community education on child abuse. Through the use of the media, the agency proposes to provide greater public awareness of the problem of child abuse. The proposed budget would be as follows:

Personnel:

Salaries	\$25,750
Fringe Benefits	<u>4,380</u>
Subtotal - Personnel	\$30,130

Operating Expenses:

Rent	\$4,200
Travel	307
Telephone	900
Office Supplies	735
Utilities	<u>300</u>
Subtotal - Operating Expenses	<u>\$6,442</u>

Total	\$36,572
-------	----------

Comments:

These agreements are renewals of existing agreements. The total request of \$168,841 represents a decrease of \$1,600 or approximately 1% less than last year's allocation of \$170,441.

Recommendations: Approve the proposed resolutions.

Memo to Finance Committee
August 23, 1989

Item 1e - File 172-89-4

Department: Tax Collector and San Francisco General Hospital

Item: Resolution to recover unpaid services

Amount: \$37,469.53

Description:

1. The proposed resolution would authorize the Attorney for the Tax Collector to begin legal proceedings to recover \$37,469.53 for unpaid services rendered by San Francisco General Hospital to a former patient.
2. The Tax Collector reports that this resolution pertains to recovering monies from the surviving spouse of a patient who received care at San Francisco General Hospital but did not pay for the care.
3. State Welfare and Institutions Code Section 17300 requires that the Attorney for the Tax Collector receive authorization by the county governing board before legal proceedings may be instituted against the responsible relative of a patient receiving medical assistance at county expense. The account number and amount involved are as follows:

<u>Account No.</u>	<u>Amount</u>
SFGH 86-00-00964079012	\$37,469.53

4. Ms. Florence Fukumoto of the Tax Collector's Office, Bureau of Delinquent Revenue Collection reports that the files of its Bureau of Delinquent Revenue reflect that at the time of the hospitalization and at the present time, the responsible relative named was and is financially able to pay for these unpaid hospital bills.

Recommendation: Approve the proposed resolution.

**BOARD OF SUPERVISORS
BUDGET ANALYST**

Memo to Finance Committee
August 23, 1989

Item 1f - File 186-89-20

Department: Department of Public Health (DPH)
San Francisco General Hospital (SFGH)

Item: Resolution authorizing SFGH to enter into an emergency contract with Western Medical Services for provision of temporary radiologic technology personnel.

Contract Amount: Up to \$12,240 per month
Rate per technician per week = \$1,068

Source of Funds: SFGH Salary Savings

Contract Period: May 1, 1989 through September 30, 1989

Description: The proposed resolution would authorize SFGH to enter into an emergency contract with Western Medical Services for the provision of temporary radiologic technology personnel for the period of May 1, 1989 through September 30, 1989. The proposed temporary personnel services would augment existing staff in SFGH's Radiology Department, which is currently experiencing a staffing shortage, until the SFGH is able to hire and train new radiologic technologists through the Civil Service System.

Comments:

1. The SFGH reports that Western Medical Services has been providing these services on an emergency basis since May 1, 1989, and has billed the City \$29,727 through July 20, 1989 for 2.3 FTEs at \$1,068 per week for 12 weeks. The SFGH has not yet made any payments to Western Medical Services for the emergency contract services.
2. According to Mr. Jerry Rankin of SFGH, Western Medical Services was selected based on price and the company's capacity to handle the volume of work required by the Hospital. Ms. Ana Marino-Ghosh states that the SFGH did not include funds in the SFGH 1989-90 budget for these contractual services because the SFGH had anticipated that the Supplemental Appropriation requested by DPH in April, 1989 to adjust the salaries for DPH radiologists would be sufficient to allow the SFGH to hire and train permanent radiology staff in a timely manner. However, the salary adjustments were not made during FY 1988-89, but rather were included in the DPH's FY 1989-90 budget. According to Ms. Marino-Ghosh, these administrative delays have resulted in the need for the emergency contract with Western Medical Services for the provision of temporary radiologic technology personnel in order to maintain minimum standards of care for the patients at SFGH. The total

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BUDGET ANALYST

Memo to Finance Committee
August 23, 1989

estimated costs for this proposed emergency contract from May 1, 1989 through September 30, 1989 is \$54,041.

3. According to Mr. Jim Putney of SFGH, the Hospital's need for contractual services for temporary radiologic technologists may extend beyond the emergency contract period ending September 30, 1989. Therefore, Mr. Putney indicates, the Hospital is currently in the process of issuing requests for proposals to establish a formal contract.

4. Mr. Putney reports that SFGH will use salary savings from budgeted but vacant radiologic technologist positions to fund the proposed emergency contract. Mr. Putney indicates that use of contractors for temporary personnel will diminish as the Hospital is able to hire and train permanent radiologic technology staff.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 1g - File 186-89-21

Department: Department of Public Health (DPH)
San Francisco General Hospital (SFGH)

Item: Resolution authorizing SFGH to enter into an emergency contract with the Breast Evaluation Center for the provision of routine mammography examinations.

Contract Amount: Up to \$3,600 per month
Rate per examination is \$45

Source of Funds: SFGH Salary Savings

Contract Period: May 1, 1989 through September 30, 1989

Description: 1. The proposed resolution would authorize SFGH to enter into an emergency contract with the Breast Evaluation Center for the provision of routine mammography examination services for the period May 1, 1989 through September 30, 1989. The proposed mammography services would augment SFGH Radiology Department services, which is experiencing a shortage of radiologic technologists, until the SFGH is able to hire and train new radiologic technologists through the Civil Service System.

Comments: 1. The SFGH reports that the Breast Evaluation Center has been providing these services on an emergency basis since June 15, 1989, and has billed the City \$5,760 through July 20, 1989 for 128 examinations at \$45 per examination. Although the proposed contract period would begin retroactively on May 1, 1989, the Breast Evaluation Center did not begin providing services until June 15, 1989. The SFGH has paid the Breast Evaluation Center \$1,215 of the \$5,760 billed to the SFGH for the period June 15 to June 21, 1989. Therefore, the proposed resolution should authorize the emergency contract retroactively.

2. The SFGH anticipates that the number of patients referred to the Breast Evaluation Center will increase during the remainder of the contract period through September 30, 1989 from 128 examinations per month to as many as 180 per month, which would cost \$8,100 per month (\$45/exam x 180 exams). The proposed legislation limits the amount of the contract to \$3,600 per month. Therefore, Mr. Jerry Rankin of SFGH requests that the proposed legislation be amended to increase the contract amount to an amount up to \$8,100 per month.

3. According to Mr. Rankin the Breast Evaluation Center was selected based on price, proximity to SFGH and the company's capacity to handle the volume of work required by the Hospital. Ms. Ana Marino-Ghosh of SFGH states that funds for these contractual services were not included in the SFGH's 1989-90 budget because the SFGH had anticipated that the Supplemental Appropriation requested by DPH in April, 1989 to adjust the salaries for DPH radiologists would be sufficient to allow the SFGH to hire and train permanent radiology staff in a timely manner. However, the salary adjustments were not made during FY 1988-89, but rather were included in the DPH's FY 1989-90 budget. According to Ms. Marino-Ghosh, these administrative delays have resulted in the need for the emergency contract with the Breast Evaluation Center for the provision of routine mammography services in order to maintain minimum standards of care for the patients at SFGH. The total estimated costs for this proposed emergency contract from June 15, 1989 through September 30, 1989 is \$23,760.

4. According to Mr. Jim Putney of SFGH, the Hospital's need for contractual services for routine mammography services may extend beyond the emergency contract period ending September 30, 1989. Therefore, Mr. Putney indicates, the Hospital is currently in the process of issuing requests for proposals to establish a formal contract.

5. Mr. Putney reports that SFGH will use salary savings from budgeted but vacant radiologic technologist positions to fund the proposed emergency contract. Mr. Putney indicates that use of contractors for mammography services will diminish as the Hospital is able to hire and train permanent radiologic technology staff.

Recommendations:

1. Amend the proposed resolution to increase the maximum contract amount from \$3,600 per month to \$8,100 per month as requested by the SFGH.
2. Amend the proposed resolution to authorize retroactive payment to the Breast Evaluation Center.
3. Approve the proposed resolution as amended.

Item 1h - File 262-89-1

Department: District Attorney Family Support Bureau

Item: Authorization for transfer of unclaimed monies deposited in the Family Support Trust Fund to the General Fund.

Amount: \$406.76

Description: 1. The District Attorney Family Support Bureau collects money for payment of spousal and child support, as well as for welfare reimbursement and other costs, which monies are then deposited in the Family Support Trust Fund. Pursuant to the provisions of Government Code section 50055 monies which remain unidentified and unclaimed for a period of three years may, with the authorization of the Board of Supervisors, be transferred from the Trust Fund to the General Fund.

2. The District Attorney Family Support Bureau reports that it has received from unknown individuals five payments in calendar years 1984 through 1986, inclusive, which remained unclaimed to date. These unidentified payments are as follows:

<u>Date of Receipt</u>	<u>Reference Number</u>	<u>Amount</u>
5/14/84	G73169	\$ 25.00
10/02/84	E06682	40.00
3/18/84	K50746	90.00
12/13/85	K40029	151.76
12/16/85	K40427	<u>100.00</u>
TOTAL		\$406.76

3. Mr. Joe Matranga of the District Attorney's Family Support Bureau reports that diligent efforts have been made to determine who the payors are, but that the Bureau has been unsuccessful in those efforts. Mr. Matranga further confirms that if the monies are not transferred to the General Fund they will remain unused in the Family Support Trust Fund indefinitely.

Recommendation: Approve the proposed resolution transferring \$406.76 from the Family Support Trust Fund to the General Fund.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 23, 1989

Item 2 - File 186-89-19

Department: Department of Public Health (DPH)
San Francisco General Hospital (SFGH)

Item: Resolution authorizing SFGH to enter into an emergency contract with Mission Imaging Center, Inc., for the provision of routine radiography examinations (x-ray services).

Contract Amount: Up to \$32,000 per month
Rates per x-ray range from \$27 to \$84

Source of Funds: SFGH Salary Savings

Contract Period: May 1, 1989 through September 30, 1989

Description: 1. The proposed resolution would authorize SFGH to enter into an emergency contract with Mission Imaging Center, Inc., for the provision of routine x-ray services for the period May 1, 1989 through September 30, 1989. The proposed x-ray services would augment SFGH Radiology Department services, which is experiencing a shortage of radiologic technologists, until the SFGH is able to hire and train new radiologic technologists through the Civil Service System. The cost per x-ray depends on the area to be x-rayed (chest vs. hip) and whether or not Mission Imaging is required to analyze the x-ray.

Comments: 1. The SFGH reports that Mission Imaging Center has been providing these services on an emergency basis since May 15, 1989, and has billed the City through July 31, 1989 as follows:

X-rays		
\$32/x-ray x 356 x-rays		\$11,380
Messenger Services		
\$108.75/mo. x 2.5 mos.		272
Total		\$11,652

The SFGH has paid Mission Imaging Center \$6,154 of the \$11,652 for x-ray services for the six-week period from May 15 through June 30, 1989. Therefore, the proposed resolution should authorize the emergency contract retroactively.

2. According to Mr. Jerry Rankin of SFGH, Mission Imaging was selected based on price, proximity to SFGH and the company's capacity to handle the volume of work required by the Hospital.

BOARD OF SUPERVISORS
BUDGET ANALYST

3. According to Mr. Jim Putney of SFGH, the Hospital's need for contractual services for routine x-rays may extend beyond the emergency contract period ending September 30, 1989. Therefore, Mr. Putney indicates, the Hospital is currently in the process of issuing requests for proposals to establish a formal contract.
4. Mr. Putney reports that SFGH will use salary savings from budgeted but vacant radiologic technologist positions to fund the proposed emergency contract. Mr. Putney indicates that use of contractors for routine x-rays will diminish as the Hospital is able to hire and train permanent radiologic technology staff.
5. Ms. Ana Marino-Ghosh states that funds were not requested in the 1989-90 SFGH budget for these contractual x-ray services because the SFGH had anticipated that the Supplemental Appropriation requested by DPH in April, 1989 to adjust the salaries for DPH radiologists would be sufficient to allow the SFGH to hire and train permanent radiology staff in a timely manner. However, the salary adjustments were not made during FY 1988-89, but rather were included in the DPH's FY 1989-90 budget. According to Ms. Marino-Ghosh, these administrative delays have resulted in the need for the emergency contract with Mission Imaging for the provision of routine x-ray services in order to maintain minimum standards of care for the patients at SFGH. The total estimated costs for this proposed emergency contract from May 15, 1989 through September 30, 1989 is \$20,974.

Recommendation: Amend the proposed resolution to authorize retroactive payment to Mission Imaging Center, Inc., and approve the proposed resolution as amended.

Memo to Finance Committee
August 23, 1989

Item 3 - File 101-88-84.1

Department: Parking Authority

Proposed Action: Release of Reserve

Amount: \$350,000

Source of Funds: Off-Street Parking Fund

Proposed Expenditure: Architectural design of the Polk and Bush Street Parking Garage.

Description: On March 8, 1989, the Board of Supervisors approved a supplemental appropriation of \$500,000 for architectural contractual services, soils testing and other technical services that were required at the southeast corner of Polk and Bush Streets for use as a parking facility (Ordinance No. 78-89). Of the \$500,000 approved, \$350,000 was placed on reserve pending submission of details regarding the number of hours, the hourly rates and the MBE/WBE status of the architectural contractor. According to Kevin Hagerty of the Parking Authority, the remaining \$150,000 of the appropriation was for the costs of initial soils testing, surveys, and related preliminary tests. Mr. Hagerty states that of that initial \$150,000, \$20,000 has been expended to date for soils and related testing and \$30,000 will be needed to complete the testing leaving a balance of \$100,000 available to fund other aspects of the project.

Comments: 1. Mr. Philip Chin of the Parking and Traffic Commission reports that seven architectural firms were invited to make presentations to the Parking Authority regarding the proposed Polk/Bush site and the following five firms responded:

<u>Firm Name</u>	<u>MBE/WBE/LBE Status</u>
Gordon Chong & Associates	MBE/LBE
Pflueger & Associates	LBE
Gerson Overstreet	MBE/LBE
Gutierrez & Associates	MBE
VBN Architects	MBE

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BUDGET ANALYST

2. According to Mr. Chin, the firm of Gordon Chong & Associates was selected as the preferred architectural firm. Mr. Chin reports that a flat fee of \$334,650 has been negotiated with the firm of Gordon Chong & Associates. Mr. Hagerty estimates that approximately \$50,000 is needed as a contingency for additional architectural fees for design modifications.

Based on the foregoing, an evaluation of the fiscal requirements is as follows:

Appropriation for Testing & Technical Costs	\$150,000
Less: Testing Costs to Date	\$30,000
Anticipated Testing Costs	<u>20,000</u>
Total Testing & Technical Costs	<u>50,000</u>
Available Balance	\$100,000
Architectural Costs	
Contract with Gordon Chong &	
Associates	\$334,650
Contingency Costs	<u>50,000</u>
Total Architectural Cost	<u>384,650</u>
Additional Funding Necessary (Proposed Release of Reserve)	\$284,650

3. The Board of Supervisors previously approved an appropriation of \$2,186,000 from the Off-Street Parking Fund for the purchase of the property located on the corner of Polk and Bush Streets for the proposed parking facility (File 101-85-27). Mr. Chin reports that the anticipated project construction cost for the Polk/Bush parking garage is approximately \$3.5 million.

Recommendation: Of the requested release of \$350,000, release reserved funds in the amount of \$284,650, as detailed in the comment 2, and continue to reserve \$65,350.

Item 4 - File 47-89-8

Department: Parking Authority

Item: Resolution rejecting the bid of the Metropolitan Parking Corporation in response for bids for the management contract at the Moscone Center Garage, and awarding the bid to the next lowest responsible and responsive bidder.

Description: In May, 1989, the Board of Supervisors authorized the Director of Property to call for bids for a five-year lease of the Moscone Center Garage. Based on the invitation for bids, the new garage operator would receive a monthly management fee paid from the gross parking revenues and would receive five percent of the garage gross revenues exceeding \$1,100,000 per year.

The Moscone Center Garage, located at 255 Third Street, has 732 parking stalls and serves approximately 21,000 vehicles per month. The current lease with the existing operator, the Golden Gate Parking Corporation, expired August 14, 1989.

On July 11, 1989, the Director of the Parking Authority opened and published the following six bids:

	<u>Monthly Management Fee</u>	<u>MBE/WBE/LBE Status</u>
Metropolitan Parking Corp.	\$ 88	MBE/LBE
Five Star Parking	17,836	LBE
San Francisco Parking	18,172	LBE
City Parking	20,305	MBE/LBE
Parking Place	28,311	LBE
System Parking	\$46,679	LBE

The Metropolitan Parking Corporation reported to the Parking Authority that it misunderstood the bidding assumptions in the invitation for bids and subsequently requested that its bid be withdrawn. This proposed resolution would reject the Metropolitan Parking Corporation's bid accordingly and award the lease to Five Star Parking.

BOARD OF SUPERVISORS
BUDGET ANALYST

Five Star Parking was declared the lowest responsive and responsible bidder, with a bid of \$17,836. Five Star Parking guaranteed its bid response with a certified check in the amount of \$25,000, as required by the Invitation For Bids. This proposed resolution would award the management contract to the Five Star Parking as the lowest, responsive and responsible bidder.

Based upon the monthly bid of \$17,836 submitted by Five Star Parking, the annual management fee would be \$214,032. The management contract provides that the monthly management fee will be adjusted annually according to the Consumer Price Index. In addition, Five Star Parking will receive, as part of the management contract, five percent of the gross revenues exceeding \$1,100,000 annually. For the accounting year beginning May 1, 1988 and ending April 30, 1989, the Moscone Center Garage earned approximately \$1,060,000.

Comments:

Based upon current annual parking revenues, the City and County will earn, after the payment of management fees to Five Star Parking, an estimated \$845,968 (\$1,060,000 less \$214,032) annually in revenues which will be used to pay off the existing government bonds used to finance the construction of the Moscone Center Garage.

Recommendation:

Approve the proposed recommendation.

Items 5 and 6 - Files 27-89-9.1 and 27-89-9

1. The proposed resolutions concern the schedule of landing fees and terminal space rental rates for common use facilities at the San Francisco International Airport. The first resolution (File 27-89-9) would make a finding that the schedule of fees and rates, combined with a previously accumulated surplus, will be sufficient to allow the Airport to pay for all budgeted operations and maintenance expenses as well as debt service and capital project budgets for fiscal year 1989-90. The second resolution (File 27-89-9.1) would approve a revised schedule of fees and rates to be paid by the airlines.

2. The proposed landing fees and terminal space rental rates to be charged to the airlines have been determined based on a formula that is part of the Lease and Use Agreement between the Airport and the airlines. The formula calls for annual adjustments to existing landing fees and rental rates based on surpluses (or deficits) accumulated during the previous two fiscal years in the cost centers from which the fees and rates are collected. The Airport's total surplus from previous years to be used in calculating the 1989-90 fees and rates amounts to approximately \$7.5 million.

3. The proposed landing fees are based on the approved maximum landing weights for each revenue producing aircraft landing at the Airport. The fees are comprised of a base fee per 1,000 lbs., and a surcharge added to the base fee. In the current year this surcharge is negative, representing credit for one-half of the combined surplus from terminal & groundside areas. The proposed fee schedule for fiscal year 1989-90 and the actual total fees for 1988-89 are as follows:

<u>Proposed 1989-90 Landing Fees</u>			1988-89
Base Fee (Per 1,000 lb.)	Surcharge Fee (Per 1,000 lb.)	Total Fee (Per 1,000 lb.)	(Actual) Total Fees Per 1,000 lb.)
\$0.723	(\$0.15)	\$0.573	\$0.586

As shown above, the landing fee (per 1,000 lbs.) would decrease from \$0.586 per 1,000 pounds in 1989-90 to \$0.573 per 1,000 pounds in 1989-90, a decrease of 2.2 percent. Mr. Chris Idowu of the Airports Commission confirms that the 2.2 percent decrease is directly attributable to the increase in the amount of Airport surplus funds carried forward from the previous two years.

4. In addition, the Airport plans to continue to assess a landing fee of \$20 for all fixed-wing aircraft weighing less than 34,904 pounds having a landing agreement with the Airport, and a landing fee of \$9 for all rotary-wing aircraft (helicopters) weighing less than 12,876 pounds having a landing agreement with the Airport. These rates are not being changed, although the maximum landing weights have been altered from the previous year (34,130 lbs. maximum weight for fixed wing aircraft and 15,358 pounds maximum weight for rotary-wing aircraft in 1988-89).

5. The Airport also plans to increase its surcharge fee schedule for itinerant aircraft effective November 1, 1989. The Airport plans to increase its 66.9¢ rate for 1988-89 to a 1989-90 rate of 69.9¢ per thousand pounds of maximum landing weight for each revenue landing by a commercial carrier which does not have a landing agreement with the Airport, for all aircraft which weigh 28,612 pounds or more, and for each landing of general aviation fixed-wing or rotary wing aircraft which does not have a landing agreement with the Airport. These itinerant aircraft, both revenue landing and general aviation, would also be subject to minimum landing fees of \$20 for all fixed wing aircraft of less than 28,612 pounds and \$9 for helicopters of less than 12,876 pounds.

6. The terminal space rental rates at the Airport are comprised of a base rate base on the relative value of the space and a surcharge per square foot that remains constant regardless of the space. The proposed 1989-90 rates and actual 1988-89 rates are as follows:

Type Space	Proposed 1989-90 Terminal Space Rental Rates			1988-89
	Base Rate (per sq. foot)	Surcharge Rate (per sq. foot)	Total Rate (per sq. foot)	(Actual) Total Rate ((per sq. ft.) lb.)
Category I	\$43.23	\$(4.27)	\$38.96	\$43.60
Category II	32.42	(4.27)	28.15	32.81
Category III	21.62	(4.27)	17.35	22.02
Category IV	10.81	(4.27)	6.54	11.23
Category V	4.32	(4.27)	0.05	4.75
Average Rate per Square Foot			\$18.21	\$22.88

As shown above, the average rental rate per square foot would be decreased from \$22.88 to \$18.21, a decrease of 20 percent. Mr. Idowu confirms that as with the proposed landing fees, this decrease, including the negative surcharge, is attributable to an increase in Airport concession revenue and an increase in the amount of Airport surplus funds carried forward from the previous two years.

The Space Categories are defined as follows:

- Category I: Ticket Counters and Hold Rooms (waiting areas by gates).
- Category II: Ticket Counter Back Offices, VIP Clubs, Baggage Claim Lobbies.
- Category III: Administrative and Operations Offices (basement level).
- Category IV: Baggage Handling Areas.
- Category V: Unenclosed or Covered Areas (ramp level).

Comments

1. Based on our review, the proposed schedule of fees and rates will be sufficient to cover 1989-90 Airport costs and a subsidy from the City will not be necessary for 1989-90.

2. All proposed landing fees and rental rates would apply retroactively to July 1, 1989 if the proposed resolution were adopted, with the exception of minimum landing fees for general aviation aircraft (aircraft other than scheduled airlines or military aircraft) and itinerant surcharge fees. The itinerant surcharge fee is assessed on those air carriers not having a permit or lease to operate at San Francisco International Airport. Because of the difficulty in retroactively collecting such landing fees, those fees, which comprise a small portion of total landing fees, would not be retroactively imposed and would remain at the 1988-89 rates for landing fees until November 1, 1989. These fees would then be increased to the proposed 1989-90 landing fee rates.

3. Mr. John Martin of the Airport Commission states that the Airport expects to collect a total of approximately \$41.9 million in landing fees and terminal rentals in 1989-90, a decrease of approximately \$6.4 million, or 13.3 percent, from the \$48.3 million collected in fiscal year 1988-89.

4. Adoption of the proposed landing fees and rental rates will not affect the Airport's expected contribution to the City's General Fund. Based on the Lease and Use Agreement, this contribution is set at fifteen percent of all concession revenues collected during the year. According to Mr. Martin, the General Fund contribution from the Airport in 1989-90 is anticipated to be \$12.5 million as compared to \$10.5 million in 1988-89.

Recommendation

Approve the proposed resolutions.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 23, 1989

Item 7 - File 79-89-3

Department: Mayors Office of Community Development (MOCD)

Item: Resolution approving the transfer of 1986 Community Development contingency funds for new facility development activity and approving Addendum Number 3 to the 1986 Community Development Program.

Amount: \$100,000

Source of Funds: 1986 Community Development Block Grant Funds.

Proposed Cost: \$480,000 (\$380,000 in matching funds to be provided by San Francisco Senators, Inc.)

Description: The proposed resolution would approve the transfer of \$100,000 in existing 1986 Community Development Block Grant Funds to the San Francisco Senators, Inc., a community non-profit service corporation, to build a new, two-story neighborhood center, located at 1654-58 Kirkwood Avenue in the Bayview area, known as the Learning Awareness Center. The center would provide supervised after-school activities including tutorial support in math, english, language, and social studies, "hands-on" computer education, and various family and group activities.

The San Francisco Senators, Inc. is a community non-profit service corporation that provides athletic-recreational, cultural enrichment, educational, and social welfare programs to youths and young adults to counteract and prevent conditions leading to juvenile delinquency, crime, illiteracy, and unemployment.

The proposed resolution would also approve Addendum Number 3 to the 1986 Community Development Program which notifies the Department of Housing and Urban Development and the Controller's Office of a change in usage of the 1986 Community Development Program funding. MOCD reports that the 1986 funds to be used for this proposal were originally allocated to fund a project called the Parent/Infant Neighborhood Center, but the funds were never used because the Neighborhood Center was not able to raise the necessary matching funds. Addendum Number 3 would notify the Department of Housing and Urban Development of the change in the allocation of the 1986 grant funds.

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BUDGET ANALYST

Comments:

1. The San Francisco Senators, Inc. has secured a minimum of \$380,000 in matching funds to supplement the proposed \$100,000 grant.
2. Originally, this project was designed to be a four story building housing various activities in addition to those activities mentioned above. MOCD reports that due to insufficient Community Development and matching funds, the entire project could not be completely funded. Therefore, the San Francisco Senators, Inc. revised their 1989 Community Development Program Application by reducing the number of floors from four to two so that this project can begin construction this Fall with currently available funds. The proposed third and fourth floors may be added on to the building in the future when funding becomes available.
3. In its regulations, the Department of Housing and Urban Development (HUD) requires that an organization receiving Community Development Block Grant funding for New Facilities Development provide the specified services for a period of five years after the completion of the building project. The recipient organization may not change the use of the building unless it provides affected citizens with reasonable notice of, and opportunity to comment on the proposed change and MOCD approves of the proposed change. If the building is sold and the use of the building changes during this five year period, the recipient organization must reimburse MOCD's share of the fair market value of the building. MOCD also requires that the recipient organization agree to a Deed of Trust with the City that the building be used only for the specified services during the five year period. If, for any reason, the recipient organization is unable to provide the services for which the building was intended during this five year period, the organization must return the grant funds to MOCD on a pro-rated basis. However, under current policy, once the five year period has passed, the recipient organization's obligation to MOCD is fulfilled, and the organization may determine the disposition and use of the building outside of the control of HUD or MOCD. MOCD reports that grants for New Facilities Development are intended to assist the recipient organization in providing a needed service, and are not intended to be a long term investment by the City and federal governments.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 23, 1989

Item 8 - File 101-89-9

Department: Police

Item: Supplemental Appropriation Ordinance

Amount: \$36,000

Source of Funds: Narcotics Forfeiture and Asset Seizure Fund

Purpose: To fund the required local share of a State Office of Criminal Justice Planning (OCJP) grant for drug education in the San Francisco Unified School District.

Description: The Police Department's Narcotics Forfeiture and Asset Seizure Fund was established by the City in order to receive money or proceeds from any tangible property seized by City law enforcement agencies during arrests for the sale of narcotics. The monies obtained are to be used for law enforcement-related purposes only.

The proposed \$36,000 supplemental appropriation would be used to fund the City's required 50 percent local match for a \$72,000 State OCJP grant. This is the third year that the Police Department has received OCJP grant funding.

The drug education program includes purchasing educational materials to be distributed to the schools, overtime for Police Officers to instruct second, third and fourth grade teachers in the use of the curriculum and workshops for parents of children that attend private schools.

The OCJP grant is budgeted as follows:

Police Officer Overtime (450 hours at time and one half)	\$13,050
Consultants: Center for Human Development (Parent drug education component includes 1.0 FTE consultant at \$22,620 and \$8,650 in supplies)	31,270

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BUDGET ANALYST

Catholic Charities (Counseling program for children and families includes 0.8 FTE counselors at two schools)	\$18,830
Educational Materials	1,950
Audit	800
Travel to OCJP Seminars (Required by OCJP)	2,500
Indirect Costs	<u>3,600</u>
Grant Total	\$72,000

Comment: Lieutenant John Robinson of the Police Department reports that, based on the Finance Committee's recommendation of approval of \$482,605 for the Narcotics Enforcement Task Force at the August 16, 1989 Committee meeting, there will be a fund balance of \$114,535 remaining in the Narcotics Forfeiture and Asset Seizure Fund. If the proposed \$36,000 supplemental appropriation is approved, there would be a fund balance of \$78,535.

Recommendation: Approve the proposed Supplemental Appropriation Ordinance.

Item 9 - File 101-89-12

Department: Controller

Item: Ordinance to add a new Section 10.04 to the 1989-90 Annual Appropriation Ordinance (Annual Budget) to authorize the Controller to transfer the funds necessary to effect Salary Standardization for Registered Nurses, Transit Platform Operators, Police Officers and Firefighters (Salary Standardization for classifications subject to Charter Sections 8.403, 8.40 and 8.405).

Description: The Annual Salary Ordinance adopted each year concurrently with the adoption of the annual budget establishes rates of pay (Salary Standardization) and other working conditions for all City employees except Registered Nurses, Transit Platform Operators, Police Officers and, Firefighters. Salary Standardization for Registered Nurses, Transit Platform Operators, Police Officers and Firefighters is determined later when the information from other cities and counties that is used as the basis for determining Salary Standardization rates becomes available. A Reserve for Salary Standardization is established in the annual budget to pay for the estimated costs of Salary Standardization for these classifications.

When the Salary Standardization process is completed for these classifications, funds must be appropriated from the Reserve for Salary Standardization to pay for the salary standardization increases.

A Supplemental Appropriation Ordinance is used to appropriate funds from the Reserve for Salary Standardization to the annual budget. A Supplemental Appropriation Ordinance includes processing by a department, board or commission, legislation documents drafted by the City Controller's Office, hearings before the Finance Committee and the full Board of Supervisors and final approval by the Board of Supervisors. The proposed new Section 10.04 to the Annual Appropriation Ordinance would eliminate the need for processing a Supplemental Appropriation Ordinance and instead would delegate authority to the Controller to administratively transfer the funds from the reserve or from any legally available funds in the amounts necessary to effect the salary increases in accordance with the Board of Supervisors previously approved Standardization Ordinance amendments authorized to enact Salary Standardization rates for Registered Nurses, Transit Platform Operators, Police Officers and Firefighters.

BOARD OF SUPERVISORS
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Comment: The proposed ordinance would establish a new procedure by authorizing the Controller to administratively transfer funds for salary increases and related fringe benefits rather than by using the appropriation process to authorize such salary increases for Registered Nurses, Transit Platform Operators, Police Officers and Firefighters. While the proposed transfer procedure would result in a time savings, the administrative transfer process would eliminate one aspect of the Board of Supervisors' review and control over such expenditures since the funds for the salary increases would not be appropriated by the Board of Supervisors.

Recommendation: Approval of an ordinance to remove the authority of the Board of Supervisors to legislatively appropriate salary increases is a policy matter for the Board of Supervisors.

Memo to Finance Committee
August 23, 1989

Item 10 - File 60-89-2.2

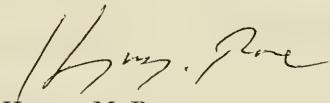
This item is to consider a rebuttal argument concerning Proposition A, building safety bond issue in the amount of \$59,700,000. The Budget Analyst does not normally review and report on such items.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 23, 1989

Item 11 - File 208-89-3.2

This item is to consider a rebuttal argument concerning Proposition B, transportation sales tax. The Budget Analyst does not normally review and report on such items.



Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

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SPECIAL JOINT MEETING

FINANCE/HUMAN SERVICES COMMITTEE

BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

Wednesday, August, 30, 1989 - 2:00 p.m.

Room 228, City Hall

Members: Supervisors Walker, Alioto, Ward, Hongisto, Hallinan,
Gonzalez

Clerk: Barbara Stavro-Taylor

1. File 68-89-9. [Proposition 52 Recommendations] Draft resolution approving the Proposition 52 (jail construction and rehabilitation funds) recommendations of the Mayor's Criminal Justice Council. (Supv. Walker)

ACTION:

2. File 68-89-9.1. [Application Process For Proposition 52 Funding] Draft resolution urging the Sheriff, the Mayor and all concerned departments to work together to complete the application process for Proposition 52 (jail construction and rehabilitation) funds by September 30, 1990. (Supv. Walker)

ACTION:

3. File 68-89-9.2. [Guiding Principles for Long-term Health Care Plan] Draft resolution pertaining to guiding principles for development of long-term plan for jail medical and psychiatric services. (Supv. Walker)

ACTION:

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CITY AND COUNTY



OF SAN FRANCISCO

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BOARD OF SUPERVISORS

BUDGET ANALYST *Recommended*

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August 30, 1989

DOCUMENTS DEPT.

AUG 30 1989

TO: Joint Finance/Human Services Committee SAN FRANCISCO
PUBLIC LIBRARY
FROM: Budget Analyst
SUBJECT: *Recommends* August 30, 1989 Special Joint Finance/Human Services Committee Meeting.

Items 1, 2, and 3 - Files 68-89-9, 68-89-9.1 and 68-89-9.2

1. The three proposed draft resolutions pertain to State Proposition 52 (passed in 1986) which authorized the State to sell \$475 million in bonds for the construction, reconstruction, remodeling and deferred maintenance of county correctional facilities. San Francisco expects to be allocated approximately \$22.5 million of the Proposition 52 funds. Approximately \$17.0 million in additional State funding could result from Proposition 86 (passed in 1988) which also provides funding for the same purposes as Proposition 52.

2. The Board of Supervisors previously accepted the needs assessment for San Francisco (required by the State in order to obtain Proposition 52 funding) and authorized the submission of the final report to the State Board of Corrections (File 195-89-1). The needs assessment was formulated by the Jail Policy and Planning Advisory Committee (JPPAC) in two parts. Part I was prepared by a consultant, the National Council on Crime and Delinquency (NCCD), and consists of four specific priority statements regarding the Adult Corrections System. After reviewing NCCD's Phase I report, the JPPAC developed 18 recommendations. Phase II of the needs assessment is an architectural study conducted by another consultant, Esherick, Homsey, Dodge and Davis, of potential site locations for the types of facilities recommended by the JPPAC, to identify operational problems with the existing jail facilities and to evaluate available alternative jail facilities. The Phase II architectural study identified nine problem situations. The four priority statements of Phase I and the resulting 18 JPPAC recommendations and the nine Phase II problem situations are listed in the Budget Analyst report for the April 19, 1989 Joint Finance/Human Services Committee meeting (attached).

3. Specifics of the three proposed draft resolutions are as follows:

File 68-89-9 The proposed draft resolution would approve the Proposition 52 (Jail Reconstruction and Rehabilitation Funds) recommendations of the Mayor's Office of Criminal Justice (MCJC). These recommendations are consistent with the JPPAC recommendations in the needs assessment. The four MCJC recommendations and estimated costs are as follows:

	<u>Estimated Total Cost</u>	<u>Estimated City Share of Cost*</u>	<u>Proposition 52 Funding</u>
<u>Expansion of Work Furlough Program</u> Purchase and renovate a building at 1717 Mission Street to expand the Work Furlough Program by 96 beds from 64 beds to 160 beds.	\$15,000,000	\$3,670,000	\$11,330,000
<u>Fire and Life Safety Improvements - Hall of Justice</u> The Consent Decree requires renovations to improve fire and life safety conditions including the smoke removal system, shower replacement and remodeling the short term medical and pharmacy facilities.	2,000,000	500,000	1,500,000
<u>Long Term Medical - Psychiatric Facility</u> Create a new long term medical/psychiatric facility as required by the consent decree.	5,000,000	1,250,000	3,750,000
<u>Life Safety Improvements - San Bruno County Jail #3</u> Improvements to the water, sewage and heating systems.	8,000,000	2,000,000	6,000,000
Total	\$30,000,000	\$7,420,000	\$22,580,000

* Sources for funding the Estimated City Share of Cost have not been identified.

File 68-89-9.1 The proposed draft resolution would urge the Sheriff, the Mayor and all concerned departments to work together to complete the application process for Proposition 52 funding by September 30, 1990, the deadline established by the State. The City and County of San Francisco has already met several of the prerequisites of obtaining Proposition 52 funding, including submitting a needs assessment study, a master citing plan and a project proposal to the State Board of Corrections. Additionally, San Francisco must also submit an architectural plan and a preliminary staff report.

File 68-89-9.2 The proposed draft resolution would adopt certain guiding principles for the development of a long term plan for jail, medical and psychiatric services. The proposed guiding principles are as follows:

- Alternatives to incarceration and diversionary programs should be developed for public inebriates and for individuals who are charged with minor offenses and whose primary problems relate to mental illness and/or substance abuse.
- In developing alternative/community-based programs, overall health care costs and costs in jail health services will be reduced, while increased funding will be allocated to Health Department Substance Abuse, Mental Health and Community Public Health programs.
- For those prisoners who remain in the county jail system but require the care of Jail Medical and Jail Psychiatric Services, an infirmary, sheltered care unit and designated general population beds, to comprise a continuum of care from arrest to release, shall be developed to consolidate forensic services in the jail system.
- The Division of Mental Health Substance Abuse and Forensic Services will provide a long-term plan for forensic services consonant with expectations of the Health Commission, Federal Court (consent decree) and State correctional agencies.

Memo to Joint Finance/Human Services Committee
August 30, 1989

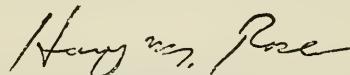
Dr. Tom Peters, Department of Public Health, reports that the Health Commission is scheduled to review a draft plan for jail medical and psychiatric services on September 19, 1989.

Recommendations

Item 1, File 68-89-9, proposes a refining of policy regarding uses of Proposition 52 funding and includes an estimated match to State funds totalling \$7,420,000, for which funding sources have not been identified. Therefore, the Budget Analyst makes no recommendation on this item.

Item 2, File 68-89-9.1 encourages expeditious handling of documentation required to obtain Proposition 52 funding and should be approved.

Item 3, File 68-89-9.2 proposes the adoption of guiding principles which are also policy statements. No recommendation is made by the Budget Analyst on this item.



Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
Supervisor Alioto
Supervisor Hongisto
Supervisor Gonzalez
President Britt
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

CITY AND COUNTY

OF SAN FRANCISCO



BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

April 19, 1989

TO: Joint Finance/Human Services Committee
FROM: Budget Analyst
SUBJECT: April 19, 1989 Special Meeting of the Joint Committee

Item 1 - File 195-89-1

1. The proposed resolution would, if approved by the Board of Supervisors, accept the needs assessment report by the Jail Policy and Planning Advisory Committee (JPPAC) and authorize the submittal of the final report to the State Board of Corrections for approval. The JPPAC consists of members identified in the attachment to this report. The JPPAC final report has, as of the writing of this report, not yet been issued in final form. The Budget Analyst has been informed by the Sheriff's Office that the final JPPAC conclusions and recommendations will be presented to the Joint Finance/Human Services Committee on Wednesday, April 19, 1989.

This report, if approved by Board Resolution, is a major step toward the City and County of San Francisco's application for State Proposition 52 bond funds. This is not, however, the formal application for acceptance and expenditure of such funds. Proposition 52 was approved by the voters in 1986. It authorized the issuance of \$475 million in State bonds for construction, reconstruction, remodeling and deferred maintenance of county correctional facilities. The State guidelines for the allocation of the bond funds to the counties requires that each county prepare a needs assessment and master plan for expenditure of the bond funds. San Francisco expects to be allocated approximately \$22.5 million of the State Proposition 52 funds.

In addition to Proposition 52 funds, monies from the sale of bonds authorized by State Proposition 86 (approved in 1988) may also become available to the City and County. Approximately \$17.0 million in Proposition 86 funds could be allocated to San Francisco, making total available funds for the purposes stated above (construction, reconstruction, remodeling and deferred maintenance of county correctional facilities) \$39.5 million (\$22.5 million in Proposition 52 funds and \$17.0 million in Proposition 86 funds). As with Proposition 52, Proposition 86 requires completion of a needs assessment and master plan.

2. The final JPPAC report will be based largely on the work performed by two consultants. The report will incorporate the findings produced by the National Council on Crime and Delinquency (NCCD) selected by JPPAC to provide the City and County with the required needs assessment of its adult detention system, and the findings and recommendations of an architectural consultant.

The findings of NCCD and recommendations of JPPAC were presented to the Board of Supervisors as Part I of the JPPAC needs assessment study in November, 1988. The November recommendations were presented to the Board of Supervisors in response to the fact that the State had allocated \$1.0 million from 1984 State Proposition 2 bond funding for the City's Work Furlough Program. However, when an additional \$1.0 million of funding was needed to complete funding of the expansion of the San Bruno jail by 300 beds, the City obtained the State's permission to use the \$1.0 million in State Proposition 2 funding to finance the jail expansion instead of using such funds for the Work Furlough Program. In order to use the \$1.0 million for jail expansion, the State required the County to approve a needs assessment by resolution of the Board of Supervisors. Part I of the JPPAC needs assessment study and its approval by the Board of Supervisors fulfilled this requirement.

3. Part II of the JPPAC study was to conduct an architectural study based on the JPPAC recommendations following the completion of Phase I. The firm of Esherick, Homsey, Dodge and Davis (EHDD) formed a consultant team with other firms and was selected by JPPAC to conduct the Phase II needs assessment study. The purpose of the Phase II study was to perform an analysis of potential site locations for types of facilities recommended by the JPPAC; identify operational problems with the existing jail facilities, and; evaluate available alternative jail facilities.

4. The NCCD Part I of the needs assessment study, which included inmate population projections and an assessment of needs, recommended the following specific priorities for the Adult Corrections System:

- That a low priority be placed on further expanding the number of high security jail beds above the 1,700 bed level which would be obtained with the new 300 bed jail facility at San Bruno.
- That a high priority be placed on construction or acquisition of beds to support the alternative housing proposals outlined in the NCCD study such as expansion of Work Furlough or the civil detoxification program.
- That a high priority be placed on establishing an 80-bed medical and psychiatric infirmary and sheltered care unit at or near the Hall of Justice.
- That a high priority be placed on renovation and redesign of the booking area at Jail 1 located on the sixth floor at the Hall of Justice.

5. The Jail Policy and Planning Advisory Committee reviewed the NCCD's needs assessment report and developed their own recommendations. These recommendations, presented for Board approval in November, 1988 included the following (some recommendations duplicate NCCD's recommendations):

- a. Construction or remodeling existing facilities to develop a centralized booking facility, a detoxification facility for approximately 60 arrestees and improved medical and psychiatric facilities to provide 40 non-acute medical and 40 non-acute psychiatric beds.
- b. Enlarged work furlough facility to accommodate at least 100 persons (existing facility accommodates 64 persons).
- c. Fire and life safety improvements to existing facilities at the Hall of Justice and to the new San Bruno jail.
- d. Provision of a separate community-based facility for housing qualified female prisoners with preschool children.

- e. That the hours of availability of the duty Judge be expanded from 6 hours to 8 hours per day from mid to late afternoon.
- f. That a monitored Own-Recognizance Release Program for non-violent felons with bench warrants be established.
- g. That the District Attorney's Office and the Police Department (a) study and identify ways to reduce the number of felony arrests that result in dismissal or reduction of charges and (b) submit a report of their findings to the Board of Supervisors within 90 days of submission of the Part 1 portion of the Needs Assessment study to the Board of Supervisors.
- h. That the Police Department implement an electronic or telephonic process to transmit arrest reports to the Hall of Justice from District Police Stations.
- i. That the Sheriff's Office develop a mechanism for reminding persons of upcoming court dates for those persons who agree to appear in Court regarding minor offenses.
- j. That consideration be given to funding a study of alternative sentencing plans.
- k. That the Sheriff develop and initiate a day reporting program for selected sentenced prisoners moved from work furlough to home custody.
- l. That the Sheriff develop and initiate a vocational furlough program for selected work furlough inmates.
- m. That the Sheriff's Department examine increasing the Sheriff's Work Alternative Program (SWAP) participation fees on a sliding scale and that interviews for eligibility for the SWAP program be conducted more than once per month.
- n. That the Sheriff's Department develop and initiate programs to provide selected inmates with full-time custody substance abuse treatment programs.

BOARD OF SUPERVISORS
BUDGET ANALYST

- o. That the Board of Supervisors and Mayor initiate a criminal justice management group consisting of the top managers of all the City's major criminal justice agencies as well as representatives of the private sector.
- p. That the Board of Supervisors and the Mayor fund an independent agency to develop and administer an accurate and effective criminal justice data system for San Francisco.
- q. That the Board of Supervisors and Mayor request that the State Legislature amend the State Penal Code to provide for release, prior to court appearances, of persons cited for specified non-violent felony offenses. Currently, only persons cited for misdemeanor offenses are allowed to be released prior to court appearances.
- r. That upon completion of the new 300 bed jail presently under construction (which has since been completed) in San Bruno and implementation of the recommended projects and programs of the Jail Policy and Planning Advisory Committee as specified in Point 4 above, the long term role of the 300 bed facility in San Bruno be reassessed.

6. The EHDD Phase II architectural study presented their identification of the following "problems" to the JPPAC on March 30, 1989.

- a. Overcrowding and lack of flexibility of design were major problems that limited the effectiveness of the Sheriff's classification system intended to reduce violence in the jails.
- b. The lack of adequate medical/mental health program space limits the delivery of these services to jail inmates.
- c. Because of inadequate booking and intake space, especially at Jail # 1 (sixth floor of the Hall of Justice) impedes the Sheriff's ability to process new arrestees in and out of jail in a timely, efficient, safe and secure manner.
- d. Fire and life safety systems are lacking or in need of repair at many of the jail facilities.
- e. Many security and safety problems were identified at the jail facilities.

BOARD OF SUPERVISORS
BUDGET ANALYST

- f. A variety of problems due to antiquated plumbing systems which presented health and maintenance problems were identified at the jail facilities.
- g. The Architects found seismic safety and compliance problems, especially at the San Bruno jail facility.
- h. Potential asbestos abatement problems were found at the jail facilities.
- i. Poor vertical movement problems were found due to a lack of sufficient and secure custody elevators at the jail facilities.

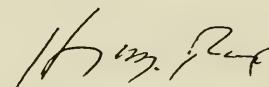
Comments

- 1. In August of 1988, the Board of Supervisors approved the release of reserve (File 100-88-15) of \$165,000 to conduct Part II (the architectural and planning portion) of the needs assessment study required for State Proposition 52 bond funding. The \$165,000 was part of a total of \$313,000 previously appropriated (File 101-86-43) for the needs assessment study.
- 2. In order for the City and County of San Francisco to receive available Proposition 52 funds, the City must be under contract for construction by September 30, 1990. Should all steps preliminary to such a construction start date be accomplished, the City will be able to apply for, accept and expend Propositions 52 monies for the designated purpose.
- 3. As stated above, the JPPAC report and recommendations will not be presented in final form until the April 19, 1989 Joint Finance/Human Services Committee meeting.
- 4. Also as stated above, this resolution is not a commitment to apply for State Proposition 52 funds for jail construction projects. Such legislation will not be presented to the Board of Supervisors until a later date.

BOARD OF SUPERVISORS
BUDGET ANALYST

Recommendation

While we believe that the JPPAC final report's specific recommendations are policy matters to be considered by the Board of Supervisors, we recommend approval of the proposed resolution to meet the State's requirement that the Board of Supervisors approve a Needs Assessment study by resolution as a preliminary step toward application for expenditure of State Proposition 52 bond funds.



Harvey M. Rose

cc: ~ Supervisor Walker
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hallinan
Supervisor Hongisto
Supervisor Ward
President Britt
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

JAIL POLICY AND PLANNING COMMITTEE

Roster of Members

Mr. Roy R. Borgonova	Mr. Richard May Deloitte, Haskins, & Sells
Mr. Jeff Brown Public Defender	Mr. James B. Morales Esq. National Center For Youth Law
Judge Victor Campilongo Superior Court	Judge Mary Morgan Municipal Court
Dr. Wayne Clark Substance Abuse Department of Public Health	Mr. Rudy Nothenberg Chief Administrative Officer
Mr. Kevin Foster Executive Director County Parole	Mr. Arlo Smith, rep. by: Mr. Paul Principe District Attorney
Mr. Tim Armastead Mayor's Office	Mr. Irving Reichert O. R. Project
Mr. Patrick Hallinan Attorney At Law JPPAC Chairman	Ms. Nancy Rubin Forensic Services Department of Health
Sheriff Michael Hennessey Sheriff's Department	Ms. Susan Rubinstein Attorney at Law
Chief Frank Jordan Police Department	Ms. Arlene Sauser Adult Probation Department
Mr. Norman Karasick Department of Public Works	Mr. Roger Sobel
Judge Lawrence Kay Municipal Court	Dr. Reiko H. True Community Mental Health
Mr. Donald Kennedy	Supervisor Nancy Walker Board of Supervisors
Ms. Robin Levine Attorney At Law	Ms. Marilyn A. Waller Attorney At Law
Mr. Calvin Malone City Planning Department	

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Actions Taken

DOCUMENTS DEPT.

SEP 1 1989

CALENDAR
MEETING OF
FINANCE COMMITTEE

Board of Supervisors
City and County of San Francisco

SAN FRANCISCO
PUBLIC LIBRARY

Wednesday, August 30, 1989 - 2:00 P.M.

Room 228, City Hall

Present: Supervisors Walker, Ward and Hallinan

Acting Clerk: Kay Gulbengay

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

1. File 250-89-1. To consider the City Workers' Compensation system. (Supervisor Walker)
(Cont'd from 8/16/89)

ACTION: Continued to September 20, 1989 meeting.

2. File 101-89-9. [Government Funding] Ordinance appropriating \$36,000. Police Department, for program project budget (local share-grant/subventions). (Controller) RO #9033
(Cont'd from 8/23/89)

ACTION: Hearing held. Recommended.

3. File 101-89-17. [Government Funding] Ordinance amending the Annual Appropriation Ordinance for fiscal year 1989-90. Ordinance No. 272-89, giving effect to revenue changes pursuant to Charter Section 6.208 and adjusting appropriations to meet the requirements of the Art Commission pursuant to Charter Section 6.400. adjusting appropriations for Aid to Families with Dependent Children and General Assistance to provide for mandatory cost of living increases, and adjusting appropriations to provide funds for debt service pursuant to Charter Section 6.200, as a pre-requisite to levy a tax pursuant to Charter Section 6.208. (Controller)

ACTION: Hearing held. Recommended.

4. File 74-89-1. [Tax Rate Setting] Ordinance providing revenue and levying taxes for City and County purposes for the fiscal year ending June 30, 1990. (Controller)

ACTION: Hearing held. Recommended.

5. File 74-89-2. [Tax Rate Setting] Ordinance providing revenue and levying tax for San Francisco Unified School District purposes for the fiscal year ending June 30, 1990. (Controller)

ACTION: Hearing held. Recommended.

6. File 74-89-3. [Tax Rate Setting] Ordinance providing revenue and levying taxes for San Francisco Community College District purposes for the fiscal year ending June 30, 1990. (Controller)

ACTION: Hearing held. Recommended.

7. File 31-89-10. [Employee Replacement] Resolution approving immediate filling of a vacated position of 1658 Chief Accountant, Controller's Office. (Controller)

ACTION: Hearing held. Recommended.

8. File 31-89-11. [Employee Replacement] Resolution approving immediate filling of a vacated position of H32 Captain, Division of Fire Prevention and Investigation, Fire Department. (Fire Department)
ACTION: Hearing held. Recommended.
9. File 32-89-2. [Telecommunications Policy] Resolution amending Resolution No. 274-88, relating to the cash match requirement of a not-for-profit corporation to receive a payment from the City to perform public access functions during fiscal year 1989-90, by adding an additional further resolved clause. (Supervisor Britt)
ACTION: Hearing held. Amendment of the whole adopted (as presented in committee) new title: "Amending Resolution 274-88, by amending the match requirements of a not-for-profit corporation to receive payments from the City to perform public access functions during fiscal year 1989-90." Recommended as amended.
10. File 32-89-3. [Cable Television Franchise Revisions] Ordinance amending Ordinance No. 105-64 by amending Section 8, relating to Cable Television Franchise, by revising the matching requirement for a not-for-profit organization to receive funds from the franchise fee during fiscal year 1989-90. (Clerk of the Board)
ACTION: Hearing held. Amendment of the whole adopted (as presented in committee) bearing same title. Recommended as amended.
11. File 65-89-4.1. [Lease Amendment] Ordinance approving the amendment to the Boat Chandlery and Marine Fueling Float Facility lease between the City and County of San Francisco and Gashouse Cove Marina, Inc. (Recreation/Park Dept.)
ACTION: Hearing held. Recommended.
12. File 65-89-4. [Settlement Agreement] Ordinance approving the Marina Yacht Harbor Boat Chandlery and Marine Fueling Float Facility settlement agreement and release between the City and County of San Francisco and Gashouse Cove Marina, Inc.. (Recreation/Park Dept.)
ACTION: Hearing held. Recommended.

CLOSED SESSION

13. File 45-89-35. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of Victor McPeters against the City and County of San Francisco by the payment of \$41,500. (City Attorney) (Superior Court No. 841-239)
ACTION: Recommended.

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CITY AND COUNTY



OF SAN FRANCISCO

Cerry Roth Public Library

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

August 30, 1989

TO: Finance Committee

DOCUMENTS DEPT.

FROM: Budget Analyst

SEP 1 1989

SUBJECT: August 30, 1989 Finance Committee Meeting

SAN FRANCISCO
PUBLIC LIBRARY

Item 1 - File 250-89-1

Note: This item was continued at the August 16, 1989 Finance Committee meeting.

1. This item is a hearing to consider the City Workers' Compensation system.
2. According to a report prepared by Mr. Keith Grand, the City's Risk Manager, San Francisco's Workers' Compensation system incurs annual direct costs of approximately \$20 million and receives approximately 6,000 new claims per year, which result in approximately 180,000 lost days of work for the City.
3. Additional information has been prepared by the Chief Administrative Officer (CAO) and the City's Risk Manager to identify and describe the disincentives that have been built into the City's Workers' Compensation system, which have resulted in a more costly system than may be necessary. As identified, some of these disincentives are the result of State legislation, while other disincentives result from local legislation and procedures. Included in the report from the City's Risk Manager are the steps that have recently been instituted to improve the City Workers' Compensation system. The report also includes recommendations regarding the steps that still need to be taken. These additional recommendations address concerns in City departments, City procedures, local legislative actions and State legislative actions.

4. The reports and information provided by the CAO and the City's Risk Manager on the City Workers' Compensation system are contained in the Board of Supervisors' file.

Comments

1. The City's 1989-90 budget includes a total budget in all departments for Workers' Compensation of \$17,531,849. Of MUNI's 1989-90 Workers' Compensation budget of \$4.5 million (the highest amount budgeted by a single department), the Finance Committee recommended and the full Board of Supervisors adopted that a special reserve in the amount of \$700,000 be set aside to cover extraordinary claims. Monies from this reserve would be released only after further evidence of need is demonstrated to the Finance Committee.

2. The actual Workers Compensation costs incurred by nine major departments since 1984-85 is presented on the following attachment. Each of these nine major departments attended the July 19, 1989 Finance Committee meeting and reported to the Committee regarding their efforts to control their Workers' Compensation costs.

Workers Compensation - Major Departments
Actual Costs 1984-85 through 1988-89 (000)

						Average Annual
	<u>1984-85</u>	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>	<u>1988-89*</u>	<u>1984-89</u>
Municipal Railway	\$2,589.9	\$3,557.4	\$3,996.8	\$3,309.1	\$3,796.9	\$3,450.0
Police Department	2,163.6	2,955.8	3,434.1	2,925.7	3,552.2	3,006.3
Fire Department	1,579.9	1,770.4	2,173.5	2,015.1	2,595.2	2,026.8
Public Health	1,311.8	1,663.4	1,791.3	1,545.9	1,596.6	1,581.8
Recreation/Park	690.8	713.3	734.4	923.3	958.2	804.0
Public Works	677.3	816.0	755.1	745.9	763.5	751.6
Airport	448.8	511.7	498.7	513.1	702.4	534.9
Water	217.7	214.7	225.3	271.0	344.3	254.6
Sheriff	225.2	256.9	280.2	252.4	378.7	278.7

* Annualized projection of 11-month actuals.

Memo to Finance Committee
August 30, 1989

Item 2 - File 101-89-9

Note: This item was continued at the August 23, 1989, Finance Committee meeting.

Department:	Police
Item:	Supplemental Appropriation Ordinance
Amount:	\$36,000
Source of Funds:	Narcotics Forfeiture and Asset Seizure Fund
Purpose:	To fund the required local share of a State Office of Criminal Justice Planning (OCJP) grant for drug education in elementary schools.
Description:	The Police Department's Narcotics Forfeiture and Asset Seizure Fund was established by the City in order to receive money or proceeds from any tangible property seized by City law enforcement agencies during arrests for the sale of narcotics. The monies obtained are to be used for law enforcement-related purposes only. The proposed \$36,000 supplemental appropriation would be used to fund the City's required 50 percent local match for a \$72,000 State OCJP grant. This is the third year that the Police Department has received OCJP grant funding. The drug education program includes purchasing educational materials to be distributed to the schools, overtime for Police Officers to instruct second, third and fourth grade teachers in the use of the curriculum and workshops for parents of elementary school children.
The OCJP grant is budgeted as follows:	
Police Officer Overtime (450 hours at time and one half)	\$13,050
Consultants: Center for Human Development (Parent drug education component includes 1.0 FTE consultant at \$22,620 and \$8,650 in supplies)	31,270

BOARD OF SUPERVISORS
BUDGET ANALYST

Catholic Charities (Counseling program for children and families includes 0.8 FTE counselors at two schools)	\$18,830
Educational Materials	1,950
Audit	800
Travel to OCJP Seminars (Required by OCJP)	2,500
Indirect Costs	<u>3,600</u>
Grant Total	\$72,000

Comments:

1. Lieutenant John Robinson of the Police Department reports that, based on the Board of Supervisor's approval of \$482,605 for the Narcotics Enforcement Task Force, there will be a fund balance of \$114,535 remaining in the Narcotics Forfeiture and Asset Seizure Fund. If the proposed \$36,000 supplemental appropriation is approved, there would be a fund balance of \$78,535.
2. This is the third and final year that this OCJP grant will be received.
3. The grant requires a counseling program for children and families. The San Francisco Unified School District recommended the Center for Human Development and the Catholic Charities as the best qualified organizations to operate the counseling program.

Recommendation:

Approve the proposed Supplemental Appropriation Ordinance.

Item 3 - File 101-89-17

1. The proposed ordinance (File 101-88-17) would amend the previously approved 1989-90 Annual Appropriation Ordinance to make various revenue and expenditure adjustments to the 1989-90 City budget as follows:

- Adjust estimated revenues, reserves and surplus to the most current information available;
- Appropriate additional funds in the amount of \$60,443 to the Art Commission for the Municipal Symphony Orchestra (one-eighth cent per \$100 of assessed valuation) as required by Charter Sections 6.400 (a)(2) and 6.414;
- Increase the appropriation for the Department of Social Services (DSS) by \$5,103,943 including \$3,848,027 for Aid to Families with Dependent Children and \$1,255,916 for General Assistance to provide for a 4.6 percent cost of living increase.

2. The proposed budget changes would result in the following adjustments to the General Fund General Reserve:

General Fund General Reserve

Balance Approved in Annual Appropriation Ordinance	\$10,269,238
Add: Transfer from Reserve for Cost of Living Adjustments	1,700,000
Increase in Use of Surplus (Fiscal Year 1988-89 Closeouts)	6,500,000
Increase in Estimated Revenues (see point 4)	1,815,626
Less: Increased Appropriations and Reduced Revenues:	
Art Commission - Municipal Symphony Concerts	(60,443)
DSS Assistance Programs:	
Aid to Families with Dependent Children	(3,848,027)
General Assistance	(1,255,916)
Supplemental Appropriations Certified by Controller and/or approved by the Board of Supervisors through August 21, 1989	<u>(142,478)</u>
General Fund General Reserve Balance	\$14,978,000

3. In addition to the General Fund General Reserve balance of \$14,978,000, the City has the following major General Fund reserves totalling \$41,550,878:

<u>Major General Fund</u>	<u>In Millions</u>
In School Youth Employment Reserve	\$ 750,000
AIDS Program Reserve	700,000
Jail Diversion Reserve	400,000
Emergency Reserve	4,862,322
Youth Guidance Center Reserve	20,000
Reserve for Potential Audit Adjustments	6,000,000
Jail Overcrowding Reduction	75,000
Civil Service Classification Study	300,000
Salary Standardization Reserve	4,809,701
Affordable Housing Action Plan Reserve	200,000
Census Reserve	138,000
Human Rights Commission Reserve	280,000
Public Health Reserve	130,000
Collective Bargaining Fringe	400,000
Public Safety Reserve	3,600,000
Grant Match Reserve	1,000,000
Homeless Capital Reserve	1,500,000
Reserve for Public Facilities	7,920,000
Reserve for Litigation	<u>8,465,855</u>
Subtotal	\$41,550,878
General Fund General Reserve as shown above	<u>14,978,000</u>
Total Major General Fund Reserves which still remain after the 1989-90 Budget is balanced	\$56,528,878

Memo to Finance Committee
August 30, 1989

4. The details of the proposed General Fund revenue changes are as follows:

<u>Title</u>	<u>Original Estimate</u>	<u>Current Estimate</u>	<u>Increase (Decrease)</u>
<u>Other Revenues</u>			
Unallocated General Fund Property Taxes	\$415,180,000	\$414,140,000	\$(1,040,000)
Cigarette Tax	2,400,000	2,200,000	(200,000)
<u>Revenues Transferred</u>			
From Traffic Fines Fund	40,069,065	39,469,065	(600,000)
From Welfare Assistance and Administration Fund (DSS)	<u>158,091,311</u>	<u>161,746,937</u>	<u>3,655,626</u>
Subtotal	615,740,376	617,556,002	\$1,815,626
<u>Use of Surplus</u>			
Total	<u>\$650,140,376</u>	<u>\$658,456,002</u>	<u>\$8,315,626</u>

5. Proposed revenue adjustments to various Special Funds are as follows:

<u>Title</u>	<u>Original Estimate</u>	<u>Current Estimate</u>	<u>Increase (Decrease)</u>
Special Gas Tax Fund	\$1,875,978	\$1,700,978	\$(175,000)
Airport Operating Fund - Various Revenues	65,188,025	57,688,025	(7,500,000)
Clean Water Operating Fund	84,100,000	81,541,167	(2,558,833)
Bond Interest & Redemption Fund (Adjustment to reflect debt service requirements on recent General Obligation Bond issues)	24,239,304	25,348,000	1,108,696
Open Space and Park Renovation Fund	11,184,267	11,799,000	614,733

The attachment to this report presents the Controller's analysis of those Special Fund unappropriated revenues needing adjustments to reflect their current balances. Those Special Fund balances of unappropriated revenues amount to \$118,200,100. Most of those revenues are restricted for specific purposes such as Airport and Port funds.

Recommendation -

Approve the proposed ordinance.

**BOARD OF SUPERVISORS
BUDGET ANALYST**

**ADDITION TO SURPLUS
ANALYSIS
FISCAL YEAR 1989-90**

	Current Estimate (1)	Year End Surplus Original Estimate (2)	Increase (Decrease) (3)	Revenue		Expenditure		Addition to Surplus	
				Increase (Decrease) (4)		Increase (Decrease) (5)		Net Adjustment (6)*	Estimate Ordinance (7)
				\$	\$	\$	\$	\$	\$
02-003 Senior Citizens's Program	\$ 2,500,000	\$ 2,100,000	\$ 400,000	\$	\$	\$ 400,000	\$ 1,300,971	\$ 1,700,971	
02-006 Cable TV Access Development and Program Fund	68,000	44,000	24,000			24,000	20,000	44,000	
02-071 Off Street Parking Fund	1,290,000	6,750,000	(5,460,000)			(5,460,000)	10,762,912	5,302,912	
02-091 Special Gas Tax Fund	795,000	620,000	175,000	(175,000)	(a)	0		0	
02-092 Road Fund	1,085,000		1,085,000		(175,000)	(a)	1,260,000		1,260,000
02-093 Building Inspection Fund	2,120,000	790,000	1,330,000			1,330,000	779,430	2,109,430	
02-183 Representative Payee Fund	18,000		18,000			18,000		18,000	
02-221 Open Space and Park Acquisition Fund	8,700,000	7,300,000	1,400,000	614,733	(b)	2,014,733	4,019,006	6,033,739	
02-222 Candlestick Park Fund	1,700,000	697,313	1,002,687			1,002,687		1,002,687	
02-224 Marina Yacht Harbor Fund	175,000	106,957	68,043			68,043		68,043	
02-229 Special Rec. & Park Revenue Fund	2,325,000	1,675,000	650,000			650,000	589,409	1,239,409	
02-301 Yerba Buena Center Fund	7,300,000		7,300,000			7,300,000	5,656,039	12,956,039	
02-302 Convention Facilities Fund	635,044	2,650,000	(2,014,956)			(2,014,956)	2,014,956	0	

ADDITION TO SURPLUS
ANALYSIS
FISCAL YEAR 1989-90

	Year End Surplus						Addition to Surplus	
	Current Estimate (1)	Original Estimate (2)	Revenue		Expenditure		Estimate Ordinance (7)	Available (8)
			Increase (Decrease) (3)	Increase (Decrease) (4)	Increase (Decrease) (5)	Net Adjustment (6)*		
02-303 War Memorial Fund	2,575,000	2,075,000	500,000			500,000	520,290	1,020,290
02-403 Admissions Fund	55,000	25,000	30,000			30,000	80,7037	837,037
02-485 Domestic Violence Program	876	35,000	(34,124)			(34,124)	34,939	815
07-001 Bond Interest and Redemption Fund	3,725,000		3,725,000	1,108,696	(b)	2,731,776 (c)	2,101,920	2,101,920
30-001 Airport Operating Fund	60,000,000	45,300,000	14,700,000	(7,500,000) (d)		7,200,000	35,951,099	43,151,099
32-001 Water Department Operating Fund		5,500,000		5,500,000		5,500,000	463,298	5,963,298
33-001 Hatch Hatchy Operating Fund		0	11,200,000	(11,200,000)		(11,200,000)	15,966,345	4,766,345
34-001 Harbor Operating Fund	22,700,000		19,700,000	3,000,000		3,000,000	19,447,962	22,447,962
35-001 Clean Water Operating Fund	13,100,000	4,500,000	8,600,000	(2,558,833) (e)		6,041,167	134,937	6,176,100
Total	\$136,366,920	\$105,568,270	\$30,798,650	\$18,510,404		\$ 2,556,776	\$19,731,470	\$ 98,468,630

*Sum of Columns 3 and 4 less Column 5

- (a) Decrease in Revenue Transfer from Road Fund to Special Gas Tax Street Improvement Fund
- (b) Increase in Estimated Property Tax Revenue
- (c) Interest and Redemption on Bonds sold in June, 1989
- (d) Net Decrease in Estimated Airport Revenues
- (e) Decrease in Estimated Clean Water Fund Revenue

Items 4, 5 and 6 - Files 74-89-1, 74-89-2 and 74-89-3

1. The proposed ordinances would establish the 1989-90 property tax rates (per \$100 of assessed valuation). The rate proposed for the City's general tax rate of \$1.00 per \$100 of assessed valuation is the maximum allowable rate. The total tax rate of \$1.09, as proposed by the Controller, which includes bond interest and redemption charges, is the same as the current tax rate of \$1.09, as shown below.

	Actual 1988-89 <u>Rate</u>	Proposed 1989-90 <u>Rate</u>	Increase (Decrease)
--	----------------------------------	------------------------------------	------------------------

General Tax Rates

City and County of San Francisco:

General Fund	\$0.87418319	\$0.87418319	-
Open Space Acquisition Fund	.02500000	.02500000	-
County Superintendent of Schools	.00097335	.00097335	-
S.F. Unified School District	.07698857	.07698857	-
S.F. Community College District	.01444422	.01444422	-
Bay Area Air Quality Management District	.00208539	.00208539	-
Bay Area Rapid Transit District	<u>.00632528</u>	<u>.00632528</u>	-
Subtotal, General Tax Rates	<u>\$1.00000000</u>	<u>\$1.00000000</u>	-

Rates for Bonded Indebtedness

City and County of San Francisco	\$0.04763229	\$0.05343897	\$0.00580668
S.F. Unified School District	.00516771	.00466103	(.00050668)
Bay Area Rapid Transit District	<u>.03720000</u>	<u>.03190000</u>	<u>(.00530000)</u>
Subtotal, for Bonded Indebtedness	<u>\$0.09000000</u>	<u>\$0.09000000</u>	-
Total Combined Tax Rate	<u>\$1.09</u>	<u>\$1.09</u>	-

Memo to Finance Committee
August 30, 1989

2. As compared with the current 1988-89 \$1.09 tax rate, the 1989-90 proposed \$1.09 tax rate will have the following effect on a tax bill for a \$200,000 single family residence:

1988-89

<u>Assessed Value (1987-88)</u>	\$196,078
<u>Add Annual 2% Increase</u>	<u>3,922</u>
Subtotal	\$200,000

Less Homeowners Exemption 7,000
Total \$193,000 ÷ \$100 x \$1.09 = \$2,103.70

1989-90

Assessed Value (1988-89)	\$200,000
Add Annual 2% Increase	4,000
Subtotal	\$204,000

Less Homeowners Exemption 7,000
Total \$197,000 ÷ \$100 x \$1.09 = \$2,147.30

Net Increase in Taxes \$43.60

Recommendation

Approve the proposed ordinances.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 30, 1989

Item 7 - File 31-89-10

Department: Controller

Item: Resolution approving the immediate filling of a vacant position in accordance with Section 10 Subsection 1 of the Annual Appropriation Ordinance.

Position: 1658 Chief Accountant

Annual Salary at Top Step: \$61,204

Retirement Date: September 29, 1989

Normal Refill Date: June 14, 1990

Requested Refill Date: October 2, 1989

Funding Needed: \$40,960

Proposed Funding Source: Surplus Salary Savings

Description: Section 10, Subsection 1 of the Annual Appropriation Ordinance permits immediate filling of a position left vacant due to retirement of an incumbent when a lump sum payment is made for accumulated leave. The immediate filling of a vacant position requires a request by the department's appointing officer, the approval of the department head, the recommendation of the General Manager, Personnel, and the Mayor and approval by ordinance or resolution of the Board of Supervisors.

Comments:

1. The Chief Accountant of the Controller's Information Services Division (ISD) is retiring effective September 29, 1989 and will be paid for 174 days of accumulated vacation pay and vested sick leave which prevents refilling this position before June 14, 1990 unless this resolution is approved.
2. The Controller has reported that the filling of this position is vital to the Controller's mandated duties. The Chief Accountant serves as business manager of a work order division which provides timely and essential management and information services to other City departments. This Chief Accountant manages a \$19 million budget and oversees a complex cost accounting and cost charge back system.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 30, 1989

Item 8 - File 31-89-11

Department: Fire Department

Item: Resolution authorizing the immediate filling of a vacant position.

Position: H32 Captain, Division of Fire Prevention and Investigation

Retirement Date: July 22, 1989

Normal Refill Date: December 11, 1989

Proposed Refill Date: August 26, 1989

Funding Needed: \$13,889 (\$235.40/day x 59 days)

Proposed Funding Source: Excess Salary Savings

Description: Section 10, Subsection 1 of the Annual Appropriation Ordinance permits immediate filling of a position left vacant due to retirement of an incumbent when a lump sum payment is made for accumulated leave. The immediate filling of a vacant position requires a request by the department's appointing officer, the approval of the department head, the recommendation of the General Manager, Personnel, and the Mayor and approval by ordinance or resolution of the Board of Supervisors.

Comments:

1. The incumbent Captain, Division of Fire Prevention and Investigation, retired on July 22, 1989, and will be paid for 100 days of accumulated sick leave, which prevents refilling this position until December 11, 1989.
2. This position, which is currently vacant, serves as one of the Department's seven program managers and commands the Arson Task Force, comprised of fire investigators, police inspectors and other agency personnel, at major fires and other incidents throughout the City. The position also serves as Custodian of Records for the Fire Department and represents the Department in Municipal, State and Federal court proceedings.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 30, 1989

3. The Fire Department had intended to fill this position August 26, 1989. However, due to the approval process required for immediate fillings, the position cannot be filled until September 19, 1989. The funding required to fill this position is \$13,889 for 5.9 biweekly pay periods (September 19, 1989 through December 11, 1989).

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 30, 1989

Items 9 and 10 - File 32-89-2 and 32-89-3

Department: Board of Supervisors

Items: File 32-89-2 - Resolution to amend a Board of Supervisors Resolution 274-88 that established a cash match requirement to the City's contribution for the not-for-profit corporation performing public access cable television functions during Fiscal Year 1989-90. The proposed resolution would revise the match requirement.

File 32-89-3 - Ordinance to amend Ordinance No. 105-64, Section 8, as related to the Cable Television Franchise, to revise the matching requirement for the not-for-profit organization performing public access functions during Fiscal Year 1989-90.

Description: The Cable Television Franchise requires Viacom Cablevision of San Francisco to pay the City a franchise fee of five percent of Viacom's gross receipts, (4.8 percent is deposited in the City's General Fund and 0.2 percent is deposited into a special Cable Television Access and Development Fund for public, educational and municipal access activities). Public access functions are the responsibility of the San Francisco Community Television Corporation (SFCTC), a not-for-profit corporation, which is funded from the 0.2 percent portion of the franchise fee deposited in the Cable Television Access and Development Fund and from private sources. At the present time, the City's contribution to SFCTC must be at least one third (1/3) of the 0.2 percent for public, educational and municipal access. SFCTC must match the City's contribution (100%) from revenues received from private sources.

The proposed legislation (Files 32-89-2 and 32-89-3) would change the limits on SFCTC's required match to the City's contribution to SFCTC for fiscal year 1989-90 and would establish limits on the composition of SFCTC's match for fiscal year 1989-90. For 1989-90, the City's contribution would continue to be at least one third (1/3) of the 0.2 percent for public, educational and municipal access. However, SFCTC's match would be reduced from 100 percent to one third (33.3%) of the City's contribution. SFCTC's match would have to consist of cash (as opposed to in-kind donations) in an amount equal to one quarter (1/4) of the City's contribution to SFCTC.

A comparison of the current and proposed legislation is as follows:

	<u>Current</u> <u>1988-89</u>	<u>Proposed</u> <u>1989-90</u>
City's Contribution as a portion of 0.2% for Public Access	No less than one/third	No less than one/third
SFCTC's Required Match proportionate to the City's contribution	100%	33%
SFCTC's Required Match in Cash Proportionate to the City's contribution	None	25%

For fiscal year 1990-91 and subsequent fiscal years, the City's payment to the SFCTC would revert to the current provisions.

Comments:

1. According to Mr. John Taylor, Clerk of the Board of Supervisors, the proposed ordinance and resolution governing SFCTC matching funds would be amended to continue to encourage SFCTC to solicit private and other non-City funding sources during FY 1989-90. The Clerk of the Board reports that SFCTC expects that 1989-90 contributions from non-City sources will be substantially less than for FY 1988-89.
2. During FY 1988-89, the City's Cable Television Access and Development Fund received revenues from franchise fees of \$84,106. Anticipated revenues for FY 1989-90 for the Cable Television Access and Development Fund are \$102,000.
3. If anticipated revenues of \$102,000 to the Cable Television Access and Development Fund are actually received, the City's contribution to SFCTC, equal to one-third (1/3) of such funds, would be approximately \$34,000. Under the proposed legislation, SFCTC would be required to raise \$11,333 (1/3 of \$34,000) to match the City's contribution, of which \$8,500 (1/4 of \$34,000) would have to be cash. The difference of \$2,833 (\$11,333 less \$8,500) could be non-cash match contributions, such as video tapes and furniture. According to the Clerk of the Board, SFCTC should be expected to raise at least \$11,333 from private sources matching one-third of the City's contribution during FY 1989-90.

Memo to Finance Committee
August 30, 1989

4. Mr. Taylor reports that substitute wording for both the proposed resolution and the proposed ordinance will be submitted to the Committee to clarify the intent of the legislation.

Recommendation: The proposed legislation to modify the not-for-profit's match requirements is a policy matter.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 30, 1989

4. Mr. Taylor reports that substitute wording for both the proposed resolution and the proposed ordinance will be submitted to the Committee to clarify the intent of the legislation.

Recommendation: The proposed legislation to modify the not-for-profit's match requirements is a policy matter.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 30, 1989

Items 11 and 12 - Files 65-89-4.1 and 65-89-4

Department: Recreation and Park Department

Items: File 65-89-4 Ordinance approving a settlement and release agreement between the City and County of San Francisco and Gashouse Cove Marina, Inc.

File 65-89-4.1 Ordinance to amend the existing lease of the Boat Chandlery and Marine Fueling Float Facility to effect the terms and conditions of the settlement and release agreement.

Description: File 65-89-4

The proposed ordinance would approve a negotiated settlement of a pending claim by Gashouse Cove Marina, Inc. (GCM) against the City for damages arising from the grounding and sinking of the floating fuel barge, chandlery and yacht brokerage facility which GCM leases from the City.

Ms. Lucinda Scanlan, Park Property Management Supervisor for the Recreation and Park Department, states that after extensive investigation by both the Department and representatives for GCM, there was conflicting evidence and expert opinion concerning the cause of, and attribution of fault for the incident. However, the Department acknowledges that it may have some degree of culpability in the matter. In addition, the lease of the facility is scheduled to expire on December 30, 1990. Therefore, the Department agreed to compromise and resolve both the claim and the question of extension of the lease of the facility to GCM. The resulting settlement agreement contains a ten year extension of the existing facility lease, and certain rent credits, to resolve GCM's damage claim.

The proposed settlement agreement represents a full and final settlement of GCM's disputed claim. As such, GCM will dismiss its claim against the City as part of the settlement agreement. Ms. Scanlan states that this agreement represents a fair compromise of this disputed claim and was reached with the assistance of the City Attorney.

File 65-89-4.1

The proposed ordinance would extend the GCM lease to add ten years to the lease term, currently due to expire on December 30, 1990. At the end of the extended lease term, title to the float facility will pass to the City. In addition, the percentage rents assessed for fuel sales and boat sales commissions will be slightly modified to 3 cents per gallon and adding a 1 cent per gallon increase every two years beginning with the extended term of the lease through the seventh year. The rate would remain constant at 6 cents per gallon for the eighth year through the end of the ten-year lease. Ms. Scanlan states that each 1 cent increase represents approximately \$1,000 per year in revenue.

Ms. Scanlan states that the proposed lease amendment deletes the "sail away" provision in the existing agreement. That provision permits the tenant to take the float facility and leave the leased area any time the City was in material breach of the lease. For example, the tenant threatened to invoke that provision in this claim, alleging that the City had breached the lease by failing to dredge the marina, contributing to the sinking of the float. That provision is deleted from the amended lease, and provides that the float belongs to the City with the tenant obligated to maintain the facility.

The amendment also provides that the existing boat hoist at the facility will be operated and insured by the tenant at no cost to the Department, with the Department to bear all maintenance costs and to supply power, but receiving all revenues from its operation. Finally, the Department is to provide the tenant with not less than ten parking places, three trailer spaces, and fuel tank and hoist access. Maintenance, striping, and other routine upkeep of the parking area will be the responsibility of the tenant.

The proposed settlement grants the tenant a \$54,000 rent credit which may be used only after certain specified work is completed by the tenant. Based on Ms. Scanlan's \$20,000 estimate of annual revenues from the lease, this credit represents approximately 2.7 years of anticipated revenue. In addition, the settlement waives rent under the existing lease for the period from February 10, 1989 (the date of the sinking) to August 14, 1989 (the date that dredging in the area was completed). Ms. Scanlan further states that as additional compensation to the tenant for the disruption of his business, percentage rents based on boat sales commissions are being reduced to 35 percent of the agreed rate during the period the business facility is closed. Ms. Scanlan states that this revenue fluctuates seasonally, but estimates that the City receives approximately \$16,000 per year revenue from these commission rents. This credit therefore represents a one time reduction of revenue of approximately \$5,000 to \$6,000.

Finally, the amended lease provides for a general rent credit which permits the tenant a credit for the cost of certain improvements made by the tenant. Ms. Scanlan states that this provision applies only to improvements which are the obligation of the Recreation and Park Department under the lease, and is subject to the approval of the Recreation and Park Department. This provision, Ms. Scanlan explains, allows the Department to pass through to the tenant the obligation and associated initial cost of certain maintenance under the lease, as well as the obligation to dredge the site under the float facility, allowing a rent credit to the tenant for that cost.

Recommendation: The proposed ordinances represent the approval of a compromise settlement of a disputed claim which is a policy decision for the Board.

The proposed settlement grants the tenant a \$54,000 rent credit which may be used only after certain specified work is completed by the tenant. Based on Ms. Scanlan's \$20,000 estimate of annual revenues from the lease, this credit represents approximately 2.7 years of anticipated revenue. In addition, the settlement waives rent under the existing lease for the period from February 10, 1989 (the date of the sinking) to August 14, 1989 (the date that dredging in the area was completed). Ms. Scanlan further states that as additional compensation to the tenant for the disruption of his business, percentage rents based on boat sales commissions are being reduced to 35 percent of the agreed rate during the period the business facility is closed. Ms. Scanlan states that this revenue fluctuates seasonally, but estimates that the City receives approximately \$16,000 per year revenue from these commission rents. This credit therefore represents a one time reduction of revenue of approximately \$5,000 to \$6,000.

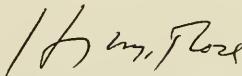
Finally, the amended lease provides for a general rent credit which permits the tenant a credit for the cost of certain improvements made by the tenant. Ms. Scanlan states that this provision applies only to improvements which are the obligation of the Recreation and Park Department under the lease, and is subject to the approval of the Recreation and Park Department. This provision, Ms. Scanlan explains, allows the Department to pass through to the tenant the obligation and associated initial cost of certain maintenance under the lease, as well as the obligation to dredge the site under the float facility, allowing a rent credit to the tenant for that cost.

Recommendation: The proposed ordinances represent the approval of a compromise settlement of a disputed claim which is a policy decision for the Board.

Memo to Finance Committee
August 30, 1989

Item 13 - File 45-89-35

The proposed ordinance authorizing settlement of litigation is a legal matter under the responsibility of the City Attorney's Office. The Budget Analyst does not normally review and report on such items.



Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

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SPECIAL JOINT MEETING
FINANCE/HUMAN SERVICES COMMITTEE

SEP 6 1989

BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

SAN FRANCISCO
PUBLIC LIBRARY

Wednesday, September 6, 1989 - 2:00 p.m.

Room 228, City Hall

Members: Supervisors Walker, Alioto, Ward, Hongisto, Hallinan, Gonzalez

Absent: Supervisor Ward

Clerk: Greg Hobson

1. File 195-89-3. Hearing to consider Jail Policy and Planning Advisory Committee recommendations for expenditure of Proposition 52 funds, Needs Assessment and 20-Year Master Plan. (Supv. Walker)

ACTION: HEARING HELD; FILED.

2. File 68-89-9. [Proposition 52 Recommendations] Draft resolution approving the Proposition 52 (jail construction and rehabilitation funds) recommendations of the Mayor's Criminal Justice Council. (Supv. Walker)

ACTION: SUBSTITUTE RESOLUTION BEARING SAME TITLE PRESENTED IN COMMITTEE. ADOPTED. AMENDED. RECOMMENDED AS AMENDED. Add a further resolved clause to read: "That in adopting this resolution the Board of Supervisors does not commit itself to the selection or designation of any specific site to be used for the Work Furlough Program."

3. File 68-89-9.1. [Application Process For Proposition 52 Funding] Draft resolution urging the Sheriff, the Mayor and all concerned departments to work together to complete the application process for Proposition 52 (jail construction and rehabilitation) funds by September 30, 1990. (Supv. Walker)

ACTION: SUBSTITUTE RESOLUTION BEARING NEW TITLE PRESENTED IN COMMITTEE. ADOPTED. AMENDED. RECOMMENDED AS AMENDED. On Page Two, line 10 replace "on a timely basis" with "by September 30, 1990." NEW TITLE: "Urging the Mayor, the Sheriff, and all concerned departments to work together to complete the application process for Proposition 52 funds by September 30, 1990."

4. File 68-89-9.2. [Guiding Principles for Long-term Health Care Plan] Draft resolution pertaining to guiding principles for development of long-term plan for jail medical and psychiatric services. (Supv. Walker)

ACTION: SUBSTITUTE RESOLUTION BEARING NEW TITLE PRESENTED IN COMMITTEE. ADOPTED. RECOMMENDED. NEW TITLE: "Approving guiding principles for development of long-term plan for jail medical and psychiatric services."

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CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST *Recommendations*

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 552-9292

September 1, 1989

DOCUMENTS DEPT.

SEP 6 1989

SAN FRANCISCO
PUBLIC LIBRARY

TO: Joint Finance/Human Services Committee

FROM: Budget Analyst

SUBJECT: September 6, 1989 Special Joint Finance/Human Services Committee Meeting

Item 1 - File 195-89-3

1. This is a hearing to consider the Jail Policy and Planning Advisory Committee (JPPAC) recommendations for expenditure of Proposition 52 funds, Needs Assessment and 20-Year Master Plan.
2. In order to obtain State Proposition 52 (passed in 1986) funds, which authorized the State to sell \$475 million in bonds for the construction, reconstruction, remodeling and deferred maintenance of County correctional facilities, there is a requirement to hold a public hearing to consider JPPAC's recommendations for the expenditure of the Proposition 52 funds.
3. JPPAC's recommendations include those recommendations listed in the April 19, 1989 Budget Analyst report (see Attachment to items 2, 3, and 4, Point 5, Recommendations a. though r. on pages 8 through 10 of this report).

Memo to Joint Finance/Human Services Committee
September 6, 1989 Special Joint Finance/Human Services Committee Meeting

Items 2, 3 and 4 - Files 68-89-9, 68-89-9.1 and 68-89-9.2

1. The three proposed draft resolutions pertain to State Proposition 52 (passed in 1986) which authorized the State to sell \$475 million in bonds for the construction, reconstruction, remodeling and deferred maintenance of county correctional facilities. San Francisco expects to be allocated approximately \$22.5 million of the Proposition 52 funds. Approximately \$17.0 million in additional State funding could result from Proposition 86 (passed in 1988) which also provides funding for the same purposes as Proposition 52.

2. The Board of Supervisors previously accepted the needs assessment for San Francisco (required by the State in order to obtain Proposition 52 funding) and authorized the submission of the final report to the State Board of Corrections (File 195-89-1). The needs assessment was formulated by the Jail Policy and Planning Advisory Committee (JPPAC) in two parts. Part I was prepared by a consultant, the National Council on Crime and Delinquency (NCCD), and consists of four specific priority statements regarding the Adult Corrections System. After reviewing NCCD's Phase I report, the JPPAC developed 18 recommendations. Phase II of the needs assessment is an architectural study conducted by another consultant, Esherick, Homsey, Dodge and Davis, of potential site locations for the types of facilities recommended by the JPPAC, to identify operational problems with the existing jail facilities and to evaluate available alternative jail facilities. The Phase II architectural study identified nine problem situations. The four priority statements of Phase I and the resulting 18 JPPAC recommendations and the nine Phase II problem situations are listed in the Budget Analyst report for the April 19, 1989 Joint Finance/Human Services Committee meeting (attached).

3. Specifics of the three proposed draft resolutions are as follows:

File 68-89-9 The proposed draft resolution would approve the Proposition 52 (Jail Reconstruction and Rehabilitation Funds) recommendations of the Mayor's Office of Criminal Justice (MCJC). The MCJC recommendations are consistent with the National Council on Crime and Delinquency (NCCD) needs assessment report. However, the MCJC recommendations differ from the JPPAC recommendations in that the primary recommendation of JPPAC was to build an addition to the Hall of Justice. The MCJC recommendations reject that concept. The four MCJC recommendations and estimated costs are as follows:

Memo to Joint Finance/Human Services Committee
September 6, 1989 Special Joint Finance/Human Services Committee Meeting

	<u>Estimated Total Cost</u>	<u>Estimated City Share of Cost*</u>	<u>Proposition 52 Funding</u>
<u>1. Expansion of Work Furlough Program</u> Purchase and renovate a building at 1717 Mission Street to expand the Work Furlough Program by 96 beds from 64 beds to 160 beds.	\$15,000,000	\$3,670,000	\$11,330,000
<u>2. Fire and Life Safety Improvements - Hall of Justice</u> The Consent Decree requires renovations to improve fire and life safety conditions including the smoke removal system, shower replacement and remodeling the short term medical and pharmacy facilities.	2,000,000	500,000	1,500,000
<u>3. Long Term Medical - Psychiatric Facility</u> Create a new long term medical/psychiatric facility as required by the consent decree.	5,000,000	1,250,000	3,750,000
<u>4. Life Safety Improvements - San Bruno County Jail #3</u> Improvements to the water, sewage and heating systems.	8,000,000	2,000,000	6,000,000
Total	\$30,000,000	\$7,420,000	\$22,580,000

* Sources for funding the Estimated City Share of Cost have not been identified.

Comment

The Sheriff concurs with the first three MCJC recommendations above but believes that the fourth recommendation above should be more specific and should include a capital improvement to build a new kitchen/laundry power plant building at San Bruno to replace the existing units. The Sheriff believes that the new kitchen/laundry facility could still be built within the total estimated above cost of \$8,000,000 (Recommendation No. 4) because he believes the \$8,000,000 estimated cost for the Life Safety Improvements - San Bruno County Jail #3 is overstated.

Memo to Joint Finance/Human Services Committee
September 6, 1989 Special Joint Finance/Human Services Committee Meeting

File 68-89-9.1 The proposed draft resolution would urge the Sheriff, the Mayor and all concerned departments to work together to complete the application process for Proposition 52 funding by September 30, 1990, the deadline established by the State. The City and County of San Francisco has already met several of the prerequisites of obtaining Proposition 52 funding, including submitting a needs assessment study, a master citing plan and a project proposal to the State Board of Corrections. Additionally, San Francisco must also submit an architectural plan and a preliminary staff report.

File 68-89-9.2 The proposed draft resolution would adopt certain guiding principles for the development of a long term plan for jail, medical and psychiatric services. The proposed guiding principles are as follows:

- Alternatives to incarceration and diversionary programs should be developed for public inebriates and for individuals who are charged with minor offenses and whose primary problems relate to mental illness and/or substance abuse.
- In developing alternative/community-based programs, overall health care costs and costs in jail health services will be reduced, while increased funding will be allocated to Health Department Substance Abuse, Mental Health and Community Public Health programs.
- For those prisoners who remain in the county jail system but require the care of Jail Medical and Jail Psychiatric Services, an infirmary, sheltered care unit and designated general population beds, to comprise a continuum of care from arrest to release, shall be developed to consolidate forensic services in the jail system.
- The Division of Mental Health Substance Abuse and Forensic Services will provide a long-term plan for forensic services consonant with expectations of the Health Commission, Federal Court (consent decree) and State correctional agencies.

Dr. Tom Peters, Department of Public Health, reports that the Health Commission is scheduled to review a draft plan for jail medical and psychiatric services on September 19, 1989.

Recommendations

Item 1, File 68-89-9, proposes a refining of policy regarding uses of Proposition 52 funding and includes an estimated match to State funds totalling \$7,420,000, for which funding sources have not been identified. Therefore, the Budget Analyst makes no recommendation on this item.

Item 2, File 68-89-9.1 encourages expeditious handling of documentation required to obtain Proposition 52 funding and should be approved.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Joint Finance/Human Services Committee
September 6, 1989 Special Joint Finance/Human Services Committee Meeting

Item 3, File 68-89-9.2 proposes the adoption of guiding principles which are also policy statements. No recommendation is made by the Budget Analyst on this item.



Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
Supervisor Alioto
Supervisor Hongisto
Supervisor Gonzalez
President Britt
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

CITY AND COUNTY

OF SAN FRANCISCO



BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

April 19, 1989

TO: Joint Finance/Human Services Committee
FROM: Budget Analyst
SUBJECT: April 19, 1989 Special Meeting of the Joint Committee

Item 1 - File 195-89-1

1. The proposed resolution would, if approved by the Board of Supervisors, accept the needs assessment report by the Jail Policy and Planning Advisory Committee (JPPAC) and authorize the submittal of the final report to the State Board of Corrections for approval. The JPPAC consists of members identified in the attachment to this report. The JPPAC final report has, as of the writing of this report, not yet been issued in final form. The Budget Analyst has been informed by the Sheriff's Office that the final JPPAC conclusions and recommendations will be presented to the Joint Finance/Human Services Committee on Wednesday, April 19, 1989.

This report, if approved by Board Resolution, is a major step toward the City and County of San Francisco's application for State Proposition 52 bond funds. This is not, however, the formal application for acceptance and expenditure of such funds. Proposition 52 was approved by the voters in 1986. It authorized the issuance of \$475 million in State bonds for construction, reconstruction, remodeling and deferred maintenance of county correctional facilities. The State guidelines for the allocation of the bond funds to the counties requires that each county prepare a needs assessment and master plan for expenditure of the bond funds. San Francisco expects to be allocated approximately \$22.5 million of the State Proposition 52 funds.

In addition to Proposition 52 funds, monies from the sale of bonds authorized by State Proposition 86 (approved in 1988) may also become available to the City and County. Approximately \$17.0 million in Proposition 86 funds could be allocated to San Francisco, making total available funds for the purposes stated above (construction, reconstruction, remodeling and deferred maintenance of county correctional facilities) \$39.5 million (\$22.5 million in Proposition 52 funds and \$17.0 million in Proposition 86 funds). As with Proposition 52, Proposition 86 requires completion of a needs assessment and master plan.

2. The final JPPAC report will be based largely on the work performed by two consultants. The report will incorporate the findings produced by the National Council on Crime and Delinquency (NCCD) selected by JPPAC to provide the City and County with the required needs assessment of its adult detention system, and the findings and recommendations of an architectural consultant.

The findings of NCCD and recommendations of JPPAC were presented to the Board of Supervisors as Part I of the JPPAC needs assessment study in November, 1988. The November recommendations were presented to the Board of Supervisors in response to the fact that the State had allocated \$1.0 million from 1984 State Proposition 2 bond funding for the City's Work Furlough Program. However, when an additional \$1.0 million of funding was needed to complete funding of the expansion of the San Bruno jail by 300 beds, the City obtained the State's permission to use the \$1.0 million in State Proposition 2 funding to finance the jail expansion instead of using such funds for the Work Furlough Program. In order to use the \$1.0 million for jail expansion, the State required the County to approve a needs assessment by resolution of the Board of Supervisors. Part I of the JPPAC needs assessment study and its approval by the Board of Supervisors fulfilled this requirement.

3. Part II of the JPPAC study was to conduct an architectural study based on the JPPAC recommendations following the completion of Phase I. The firm of Esherick, Homsey, Dodge and Davis (EHDD) formed a consultant team with other firms and was selected by JPPAC to conduct the Phase II needs assessment study. The purpose of the Phase II study was to perform an analysis of potential site locations for types of facilities recommended by the JPPAC; identify operational problems with the existing jail facilities, and; evaluate available alternative jail facilities.

BOARD OF SUPERVISORS
BUDGET ANALYST

4. The NCCD Part I of the needs assessment study, which included inmate population projections and an assessment of needs, recommended the following specific priorities for the Adult Corrections System:

- That a low priority be placed on further expanding the number of high security jail beds above the 1,700 bed level which would be obtained with the new 300 bed jail facility at San Bruno.
- That a high priority be placed on construction or acquisition of beds to support the alternative housing proposals outlined in the NCCD study such as expansion of Work Furlough or the civil detoxification program.
- That a high priority be placed on establishing an 80-bed medical and psychiatric infirmary and sheltered care unit at or near the Hall of Justice.
- That a high priority be placed on renovation and redesign of the booking area at Jail 1 located on the sixth floor at the Hall of Justice.

5. The Jail Policy and Planning Advisory Committee reviewed the NCCD's needs assessment report and developed their own recommendations. These recommendations, presented for Board approval in November, 1988 included the following (some recommendations duplicate NCCD's recommendations):

- a. Construction or remodeling of the Hall of Justice to develop a centralized booking facility, a detoxification facility for approximately 60 arrestees and improved medical and psychiatric facilities to provide 40 non-acute medical and 40 non-acute psychiatric beds.
- b. Enlarged work furlough facility to accommodate at least 100 persons (existing facility accommodates 64 persons).
- c. Fire and life safety improvements to existing facilities at the Hall of Justice and to the new San Bruno jail.
- d. Provision of a separate community-based facility for housing qualified female prisoners with preschool children.

BOARD OF SUPERVISORS
BUDGET ANALYST

- e. That the hours of availability of the duty Judge be expanded from 6 hours to 8 hours per day from mid to late afternoon.
- f. That a monitored Own-Recognizance Release Program for non-violent felons with bench warrants be established.
- g. That the District Attorney's Office and the Police Department (a) study and identify ways to reduce the number of felony arrests that result in dismissal or reduction of charges and (b) submit a report of their findings to the Board of Supervisors within 90 days of submission of the Part 1 portion of the Needs Assessment study to the Board of Supervisors.
- h. That the Police Department implement an electronic or telephonic process to transmit arrest reports to the Hall of Justice from District Police Stations.
- i. That the Sheriff's Office develop a mechanism for reminding persons of upcoming court dates for those persons who agree to appear in Court regarding minor offenses.
- j. That consideration be given to funding a study of alternative sentencing plans.
- k. That the Sheriff develop and initiate a day reporting program for selected sentenced prisoners moved from work furlough to home custody.
- l. That the Sheriff develop and initiate a vocational furlough program for selected work furlough inmates.
- m. That the Sheriff's Department examine increasing the Sheriff's Work Alternative Program (SWAP) participation fees on a sliding scale and that interviews for eligibility for the SWAP program be conducted more than once per month.
- n. That the Sheriff's Department develop and initiate programs to provide selected inmates with full-time custody substance abuse treatment programs.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Joint Finance/Human Services Committee
April 19, 1989

- o. That the Board of Supervisors and Mayor initiate a criminal justice management group consisting of the top managers of all the City's major criminal justice agencies as well as representatives of the private sector.
- p. That the Board of Supervisors and the Mayor fund an independent agency to develop and administer an accurate and effective criminal justice data system for San Francisco.
- q. That the Board of Supervisors and Mayor request that the State Legislature amend the State Penal Code to provide for release, prior to court appearances, of persons cited for specified non-violent felony offenses. Currently, only persons cited for misdemeanor offenses are allowed to be released prior to court appearances.
- r. That upon completion of the new 300 bed jail presently under construction (which has since been completed) in San Bruno and implementation of the recommended projects and programs of the Jail Policy and Planning Advisory Committee as specified in Point 4 above, the long term role of the 300 bed facility in San Bruno be reassessed.

6. The EHDD Phase II architectural study presented their identification of the following "problems" to the JPPAC on March 30, 1989.

- a. Overcrowding and lack of flexibility of design were major problems that limited the effectiveness of the Sheriff's classification system intended to reduce violence in the jails.
- b. The lack of adequate medical/mental health program space limits the delivery of these services to jail inmates.
- c. Because of inadequate booking and intake space, especially at Jail # 1 (sixth floor of the Hall of Justice) impedes the Sheriff's ability to process new arrestees in and out of jail in a timely, efficient, safe and secure manner.
- d. Fire and life safety systems are lacking or in need of repair at many of the jail facilities.
- e. Many security and safety problems were identified at the jail facilities.

BOARD OF SUPERVISORS
BUDGET ANALYST

- f. A variety of problems due to antiquated plumbing systems which presented health and maintenance problems were identified at the jail facilities.
- g. The Architects found seismic safety and compliance problems, especially at the San Bruno jail facility.
- h. Potential asbestos abatement problems were found at the jail facilities.
- i. Poor vertical movement problems were found due to a lack of sufficient and secure custody elevators at the jail facilities.

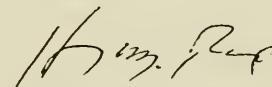
Comments

- 1. In August of 1988, the Board of Supervisors approved the release of reserve (File 100-88-15) of \$165,000 to conduct Part II (the architectural and planning portion) of the needs assessment study required for State Proposition 52 bond funding. The \$165,000 was part of a total of \$313,000 previously appropriated (File 101-86-43) for the needs assessment study.
- 2. In order for the City and County of San Francisco to receive available Proposition 52 funds, the City must be under contract for construction by September 30, 1990. Should all steps preliminary to such a construction start date be accomplished, the City will be able to apply for, accept and expend Propositions 52 monies for the designated purpose.
- 3. As stated above, the JPPAC report and recommendations will not be presented in final form until the April 19, 1989 Joint Finance/Human Services Committee meeting.
- 4. Also as stated above, this resolution is not a commitment to apply for State Proposition 52 funds for jail construction projects. Such legislation will not be presented to the Board of Supervisors until a later date.

BOARD OF SUPERVISORS
BUDGET ANALYST

Recommendation

While we believe that the JPPAC final report's specific recommendations are policy matters to be considered by the Board of Supervisors, we recommend approval of the proposed resolution to meet the State's requirement that the Board of Supervisors approve a Needs Assessment study by resolution as a preliminary step toward application for expenditure of State Proposition 52 bond funds.



Harvey M. Rose

cc: - Supervisor Walker
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hallinan
Supervisor Hongisto
Supervisor Ward
President Britt
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

JAIL POLICY AND PLANNING COMMITTEE

Roster of Members

Mr. Roy R. Borgonova	Mr. Richard May Deloitte, Haskins, & Sells
Mr. Jeff Brown Public Defender	Mr. James B. Morales Esq. National Center For Youth Law
Judge Victor Campilongo Superior Court	Judge Mary Morgan Municipal Court
Dr. Wayne Clark Substance Abuse Department of Public Health	Mr. Rudy Nothenberg Chief Administrative Officer
Mr. Kevin Foster Executive Director County Parole	Mr. Arlo Smith, rep. by: Mr. Paul Principe District Attorney
Mr. Tim Armastead Mayor's Office	Mr. Irving Reichert O. R. Project
Mr. Patrick Hallinan Attorney At Law JPPAC Chairman	Ms. Nancy Rubin Forensic Services Department of Health
Sheriff Michael Hennessey Sheriff's Department	Ms. Susan Rubinstein Attorney at Law
Chief Frank Jordan Police Department	Ms. Arlene Sauser Adult Probation Department
Mr. Norman Karasick Department of Public Works	Mr. Roger Sobel
Judge Lawrence Kay Municipal Court	Dr. Reiko H. True Community Mental Health
Mr. Donald Kennedy	Supervisor Nancy Walker Board of Supervisors
Ms. Robin Levine Attorney At Law	Ms. Marilyn A. Waller Attorney At Law
Mr. Calvin Malone City Planning Department	

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~~Actions Taken~~

CALENDAR MEETING OF FINANCE COMMITTEE

SEP 6 1989
SAN FRANCISCO
PUBLIC LIBRARY

Board of Supervisors
City and County of San Francisco

WEDNESDAY, SEPTEMBER 6, 1989 - 3:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

ABSENT: SUPERVISOR WARD

CLERK: GREG HOBSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll-call vote of the committee. There will be no separate discussion of these items unless a member of the committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
 - a) File 172-89-5. [Lawsuit] Resolution authorizing Tax Collector attorney to institute legal proceedings for the recovery of value of services rendered at hospital facilities operated by the San Francisco Department of Public Health. (Treasurer)
 - b) File 28-89-10. [Airport Administration] Resolution approving a declaration of emergency, Taxiway 'A' 8-Inch Industrial Waste Pipeline repair, Airport Contract No. 2190, San Francisco, International Airport - \$65,000. (Airport Commission)

ACTION: ITEMS A AND B REMOVED FROM CONSENT CALENDAR.

ITEM A - RECOMMENDED.

ITEM B - AMENDED. Reduce to \$52,777. CONTINUED TO SEPTEMBER 20, 1989, MEETING. AMENDED TITLE: "Approving a declaration of emergency, Taxiway "A" 8-inch industrial waste pipeline repair, Airport Contract No. 2190 San Francisco International Airport - \$52,777."

REGULAR CALENDAR

2. File 101-89-18. [Government Funding] Ordinance amending the Annual Appropriation Ordinance for fiscal year 1989-90, Ordinance No. 212-89, in order to reflect the necessary revenue and expenditure appropriation to meet the requirements for registered nurses under the provisions of Section 8.403 of the Charter. (Controller) RO #9045

ACTION: RECOMMENDED.

3. File 101-89-16. [Government Funding] Ordinance appropriating \$2,088,767 for permanent salaries - miscellaneous, permanent salaries - nurses, temporary salaries - miscellaneous and related mandatory fringe benefits, uniforms and other current expenses for the creation of 66 positions, Public Health-Central Office, Laguna Honda Hospital and San Francisco General Hospital, for fiscal year 1989-90. (Controller) RO #9046 (COMPANION TO FOLLOWING FILE)

ACTION: AMENDED. RECOMMENDED AS AMENDED. Reduce appropriation to \$2,031,555 and place \$559,776 of the \$902,864 for permanent salaries and mandatory fringe benefits for 32 positions on reserve. AMENDED. TITLE: "Appropriating \$2,031,555 for permanent salaries - miscellaneous, permanent salaries - nurses, temporary salaries - miscellaneous and related mandatory fringe benefits, uniforms, and other current expenses for the creation of sixty six (66) position, Public Health - Central Office, Laguna Honda Hospital and San Francisco General Hospital, for fiscal year 1989-90; placing \$559,776 on reserve."

4. File 102-89-8. [Public Employment] Ordinance amending Annual Salary Ordinance 1989-90, Department of Public Health, Laguna Honda Hospital and San Francisco General Hospital and Central Office, reflecting the addition of 66 positions (Classifications 2302 Orderly (5), 2312 Licensed Vocational Nurse (55), 2305 Psychiatric Technician (4) and 2320 Registered Nurse (2). (Civil Service Commission) (COMPANION TO PRECEDING FILE)

ACTION: RECOMMENDED.

5. File 101-89-24. [Government Funding] Ordinance appropriating \$206,258,664, Clean Water Program, for capital improvement projects (Oceanside Water Pollution Control Plant); placing \$1,500,000 for software development in reserve. (Supervisor Walker) #R09059

ACTION: RECOMMENDED.

6. File 101-89-14. [Government Funding] Ordinance appropriating \$4,000,000, Clean Water Program, for capital improvement project (Design of Islais Creek Transport Storage Facilities). (Controller) RO #9044

ACTION: RECOMMENDED.

7. File 106-89-4. To consider the submission of a plan from Civil Service Commission regarding examination and classification functions. (Supervisor Walker)
(Cont'd from 8/9/89)

ACTION: CONTINUED TO SEPTEMBER 20, 1989, MEETING.

8. File 97-89-32. [Revolving Fund] Ordinance amending Chapter 10, Article XV, San Francisco Administrative Code, by amending Section 10.164 thereof, increasing the Sheriff's Cash Revolving Fund. (Sheriff) (COMPANION TO FOLLOWING FILE)

ACTION: RECOMMENDED.

9. File 101-89-13. [Government Funding] Ordinance appropriating \$1,500, Sheriff Department, to increase revolving fund, and rescinding \$1,500 from materials and supplies. (Controller) RO #9043 (COMPANION TO PRECEDING FILE)

ACTION: RECOMMENDED.

10. File 101-89-15. [Government Funding] Ordinance appropriating \$26,253, Juvenile Court, for purchase of laundry equipment. (Controller) RO #9042

ACTION: RECOMMENDED.

11. File 118-89-3. [Medical Liens] Ordinance amending Health Code Section 124.4 to delete provisions relating to medical liens for services before 1966. (Supervisor Kennedy)

ACTION: CONTINUED TO SEPTEMBER 20, 1989, MEETING.

12. File 168-89-6. [Glen Canyon Property Acquisition] Resolution urging the Mayor to urge the City Planning Commission, the Recreation and Park Commission and, through the Recreation and Park Department, to consider the acquisition with Open Space Funds of Lot 76, Block 2949A in Glen Canyon (between O'Shaughnessy and Marietta Drive). (Supervisor Walker)

ACTION: AMENDED. RECOMMENDED AS AMENDED. In the title and on line 24 after "Department" Insert "and the Open Space/Park Renovation Citizens' Advisory Committee,". AMENDED. TITLE: "Urging the Mayor to urge the City Planning Commission, the Recreation and Park Commission, and, through the Recreation and Park Commission the General Manager of the Recreation and Park Department, and the Open Space/Park Renovation Citizens' Advisory Committee, to consider the acquisition with Open Space Funds of Lot 76 of Block 2949A in Glen Canyon in the City and County of San Francisco."

13. File 51-89-2. Transmitting claims of employees, various departments for reimbursement for personal property damaged and/or stolen in the line of duty. (Various Departments)

ACTION: RECOMMENDED. RESOLUTION PREPARED IN AND REPORTED OUT OF COMMITTEE. ENTITLED: "Authorizing reimbursement for cost of personal property of City and County employees damaged and/or stolen in the line of duty."

14. File 101-88-60.2. Requesting release of reserved funds, Port Commission, in the amount of \$200,000, for professional services in preparation of its Strategic Plan. (Port Commission)

ACTION: RELEASE OF \$200,000 APPROVED; FILED.

SPECIAL ORDER - 4:00 P.M.

15. File 65-89-5. [Lease Amendment] Ordinance approving second amendment to the stadium lease between the City and County of San Francisco and the San Francisco Giants. (Supervisor Britt)

ACTION: CONTINUED TO SEPTEMBER 20, 1989, MEETING. (To appear on calendar as Item No. 1.)

CLOSED SESSION

16. File 45-89-34. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of City and County of San Francisco vs. Alfred P. Sloan, Jr. Museum and the School District of the City of Flint in favor of the City and County for the sum of \$15,000. (City Attorney) (U.S. District Court, Eastern District of Michigan, Civil No. 86CV 40202 FL)

ACTION: RECOMMENDED.

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89

CITY AND COUNTY



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OF SAN FRANCISCO

DOCUMENTS DEPT.

BOARD OF SUPERVISORS

SEP 6 1984

BUDGET ANALYST *Recommendations* SAN FRANCISCO
1390 MARKET STREET, SUITE 1025 PUBLIC LIBRARY

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

September 6, 1989

TO: Finance Committee

FROM: Budget Analyst

SUBJECT: September 6, 1989 Finance Committee Meeting

Item 1a - File 172-89-5

Department: Tax Collector and San Francisco General Hospital

Item: Resolution to recover unpaid services

Amount: \$36,695.17

Description: The proposed resolution would authorize the Attorney for the Tax Collector to begin legal proceedings to recover a total of \$36,695.17 for unpaid services rendered by San Francisco General Hospital to four former patients.

The Tax Collector reports that this resolution pertains to recovering monies from the responsible relatives of four patients who received care at San Francisco General Hospital but did not pay for the care.

State Welfare and Institutions Code Section 17300 requires that the Attorney for the Tax Collector receive authorization by the county governing board before legal proceedings may be instituted against the responsible relative of a patient receiving medical assistance at county expense. The account numbers and the amounts involved in these four matters are as follows:

Memo to Finance Committee
September 6, 1989

<u>Account No.</u>	<u>Amount</u>
SFGH 907904	\$4,047.15
SFGH 805869	10,651.88
SFGH 942684	18,903.24
SFGH 585772	<u>3,092.90</u>
Total	\$36,695.17

Mr. Robert Fletcher of the Tax Collector's Office, Bureau of Delinquent Revenue Collection, reports that at the time of the hospitalization and at the present time, the responsible relatives named were and are financially able to pay for their respective unpaid hospital bills.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
September 6, 1989

Item 1b - File 28-89-10

Department: San Francisco International Airport

Item: Emergency resolution. Section 6.30 of the Administrative Code states that approval by the Board of Supervisors is necessary for emergency expenditures in excess of \$25,000.

Amount: \$65,000

Source of Funds: Airport's Facilities Maintenance Fund

Description: The Airports Commission has determined that an emergency has occurred involving City-owned facilities at San Francisco International Airport. An eight inch industrial waste pipeline linking the southern half of the Airport Industrial Waste System with the treatment plant under Taxiway "A" has failed and needs to be repaired immediately. The repair emergency was declared by the Airports Commission on March 9, 1989.

Contract Procedure: The Airport reports that because of the urgent nature of the broken industrial waste pipeline under Taxiway "A", and the inability of airport maintenance staff to accomplish the needed repairs, an expedited contracting procedure was used in accordance with Section 6.30 of the Administrative Code. M.G.M. Construction of San Francisco was awarded the contract on a sole source basis because this contractor was able to begin repairs earlier than any other known contractor.

Contract Award: March 13, 1989

Completion of Work: April 26, 1989

Comments:

1. M.G.M. Construction is neither a Minority Business Enterprise (MBE) nor a Women Business Enterprise (WBE). Mr. Ray Lew of the Airports Commission advises that M.G.M. Construction is in the process of signing the affidavit of compliance with the South African Divestment Ordinance.
2. The Airport reports that submission of this emergency resolution was delayed because priorities for submission became confused when another emergency situation occurred soon after this emergency occurred.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
September 6, 1989

3. The cost of the emergency repairs was originally estimated to be \$65,000. The actual cost of the contractor to complete the repairs was \$52,777.

Recommendation: Amend the proposed resolution by reducing the amount by \$12,223 from \$65,000 to \$52,777, the actual cost of repairs, and approve the proposed resolution as amended.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
September 6, 1989

Item 2 - File 101-89-18

1. The proposed ordinance would amend the 1989-90 Annual Appropriation Ordinance to reflect the necessary revenue and appropriation adjustments to meet the requirements for the salaries of Registered Nurse and related classifications and the related mandatory fringe benefits under the provisions of Charter Section 8.403. The Civil Service Commission has already included the 1989-90 standardized rates in the Annual Salary Ordinance. The Board of Supervisors approved the 1989-90 rates on July 1, 1989 (File 103-89-1). The proposed source of funds is the 1989-90 Salary Standardization Reserve.

2. Charter Section 8.403 provides for the Board of Supervisors to fix the salary schedule for Registered Nurse classifications based on the highest prevailing maximum salary for registered nurses in effect on April 15 in the public and private sectors in the counties of Alameda, Contra Costa, Marin, San Mateo, San Francisco and Santa Clara. The salaries paid to Registered Nurses by San Francisco may not exceed this maximum salary level. The maximum salary level for registered nurses certified by the Civil Service Commission effective April 15, 1989 is \$22.73 per hour paid by Stanford University. The City's \$18.95 per hour top step salary for Registered Nurses for 1988-89 is the same rate as for 1987-88 because 1988-89 rates were frozen at the 1987-88 level.

The agreement with the nurses for FY 1989-90 provides for a maximum salary for Registered Nurses of \$22.06 per hour (\$45,885 annually) beginning July 1, 1989, which is an increase of \$3.11 or 16 percent over the City's 1988-89 (and 1987-88) top step salary rate of \$18.95 per hour (\$39,568 annually). The 1989-90 maximum salary of \$22.06 per hour is for a new sixth step, which would apply to nurses who have been at the fifth step for two years or more. The 1989-90 agreement with the nurses also provides for a two percent salary increase for all nursing classifications beginning January 1, 1990, which would increase the maximum salary for Registered Nurses by \$0.44 per hour from \$22.06 per hour (\$45,885 annually) to \$22.50 per hour (\$46,800 annually).

3. The 1988-89 and 1989-90 biweekly salary ranges for Registered Nurse classifications are as follows:

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Class</u>	<u>Title</u>	<u>Biweekly Salary</u>	<u>1988-89</u>	<u>1989-90</u>
				<u>Biweekly Salary*</u>
2320	Registered Nurse	\$1,334-\$1,516	\$1,508-\$1,765	
2322	Head Nurse	1,513-1,835	1,756-2,199	
2323	Clinical Nurse Specialist	1,513-2,023	1,706-2,356	
2324	Nursing Supervisor	1,618-1,965	1,881-2,356	
2326	Nursing Supervisor Psychiatric	1,618-2,023	1,881-2,425	
2328	Nurse Practitioner	1,407-1,706	1,650-2,064	
2330	Anesthetist	1,674-2,033	1,890-2,366	
2340	Operating Room Nurse	1,334-1,516	1,508-1,765	
2342	Head Nurse, Surgery	1,513-1,835	1,756-2,199	
2344	Chief of Surgery, Nurses	1,918-2,332	2,230-2,792	
2350	Instructor of Nursing	1,618-1,965	1,881-2,356	
2352	Asst. Director of Nursing Education	1,918-2,332	2,230-2,792	
2366	Asst. Director of Nurses - LHH	1,918-2,332	2,230-2,792	
2368	Asst. Director of Nurses - SFGH	1,918-2,332	2,230-2,792	
2369	Director of Nurses - LHH	2,459-2,989	2,862-3,583	
2370	Director of Nurses - SFGH	2,242-2,726	2,862-3,583	
2394	Central Processing and Distribution Supervisor	1,580-1,918	1,835-2,297	
2830	Public Health Nurse	1,513-1,835	1,706-2,136	
2832	Supervising Public Health Nurse	1,782-2,166	2,074-2,597	
2833	Public Health Nurse Administrator	1,985-2,412	2,424-3,034	
2836	Director of Public Health Nursing	2,472-3,005	2,874-3,598	

* Salaries listed are for the rates beginning July 1, 1989. Beginning January 1, 1990, all salaries would increase by 2 percent.

4. Funds in the amount of \$12,626,980 would be appropriated to fund the difference between the budgeted amounts for salaries and related fringe benefits and the negotiated amounts to be paid to registered nurses in 1989-90. A summary of the additional costs is as follows:

	<u>Related Fringe</u>	<u>Salaries</u>	<u>Benefits</u>	<u>Total</u>
<u>Central Office</u>				
Bayview Hunters Point Project	\$16,201	\$3,786	\$19,987	
Environmental Health	4,296	979	5,275	
Health Centers	1,000,535	230,443	1,230,978	
AIDS Division	23,107	5,264	28,371	
North of Market Sr. Health Ctrs.	14,213	3,237	17,450	
Emergency Medical Svcs. Agency	10,287	1,992	12,279	
Disease Control	60,514	13,977	74,491	
Sr. Health N. of Market Projects	11,752	2,678	14,430	
Senior Health Services	10,268	2,339	12,607	
<u>Total - Central Office</u>	<u>\$1,151,173</u>	<u>\$264,695</u>	<u>\$1,415,868</u>	

BOARD OF SUPERVISORS
BUDGET ANALYST

	Related Salaries	Fringe Benefits	Total
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Division of Mental Health, Substance Abuse and Forensics

Business and Operation Support	\$9,752	\$2,222	\$11,974
CASARC	64,552	13,275	77,827
Children's Services	1,050	2	1,052
Geriatric Services	31,867	7,260	39,127
Center for Special Problems	29,420	6,702	36,122
Adult Community	120,804	27,831	148,635
Rape Treatment Center	21,147	4,586	25,733
Forensic Medical Services	559,439	142,600	702,039
Substance Abuse	<u>17,873</u>	<u>6,324</u>	<u>24,197</u>
Total - DMSF	\$855,904	\$210,802	\$1,066,706

San Francisco General Hospital

Acute Operations	\$4,880,313	\$1,105,603	\$5,985,916
Psychiatric Services	709,577	162,917	872,494
Methadone Clinic	<u>34.283</u>	<u>7.913</u>	<u>42,196</u>
Total - SFGH	\$5,624,173	\$1,276,433	\$6,900,606

Laguna Honda Hospital

\$2,598,190	\$645,610	\$3,243,800
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Total - Dept. of Public Health

\$10,229,440	\$2,397,540	\$12,626,980
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Recommendation

Approve the proposed ordinance.

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Items 3 and 4 - Files 101-89-16 and 102-89-8

Department: Department of Public Health (DPH)

Items: File 101-89-16 - Supplemental Appropriation Ordinance for 1) Permanent Salaries and Mandatory Fringe Benefits for the addition of 66 positions, 2) Temporary Salaries and Uniforms, and 3) Other Current Expenses.

File 102-89-8 - Ordinance to amend the Annual Salary Ordinance reflecting the creation of the 66 positions.

Amount: \$2,088,767

Source of Funds: 1989-90 Salary Standardization Reserve

Description: The proposed amendment to the 1989-90 Salary Ordinance (File 102-88-43) would add 66 nursing positions. The proposed amendment, which will be reviewed at a future meeting of the Civil Service Commission, is as follows:

<u>Action No.</u>	<u>Class/Title</u>	1989-90 Biweekly Salary	1989-90 Annual Salary
<u>Public Health - Central Office</u>			
Add	2 2320 Registered Nurse	\$1,508-\$1,764	\$39,208-\$45,885
<u>SFGH</u>			
Add	28 2312 Licensed Vocational Nurse	\$952-\$1,152	\$24,752-\$29,952
Add	4 2305 Psychiatric Technician	\$966-\$1,169	\$25,116-\$30,394
<u>LHH</u>			
Add	5 2302 Orderly	\$891-\$1,078	\$23,166-\$28,028
Add	27 2312 Licensed Vocational Nurse	\$952-\$1,152	\$24,752-\$29,952

BOARD OF SUPERVISORS
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The proposed Supplemental Appropriation Ordinance (File 101-89-16) would appropriate funds for Permanent Salaries and related Mandatory Fringe Benefits, for the creation of a total of 66 positions in Public Health - Central Office, SFGH and LHH for fiscal year 1989-90. The proposed Ordinance would also appropriate funds for Temporary Salaries, Uniforms and Other Current Expenses for 1989-90. The proposed supplemental appropriation would fund the staffing and child care provisions of the 1989-90 Memorandum of Understanding (MOU) with the nurses as follows:

Public Health - Central Office - Health Centers

Health Centers

Permanent Salaries - Nurses	\$77,597
Mandatory Fringe Benefits	21,159
Uniforms	<u>350</u>
Total - Health Centers	\$99,106

Permanent salaries, fringe benefits and two uniforms for two additional Registered Nurse positions to provide additional medical staffing at Youth Guidance Center for the period September 11, 1989 through June 30, 1990.

Public Health - Central Office -Administration

Administration

Other Current Expenses for Childcare	\$110,000
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Other current expenses include \$100,000 for a permanent child care facility for DPH employees. The City's Joint Labor Management Child Care Committee would determine the disposition of the funds. \$10,000 would be appropriated for a child care information and referral fair for DPH employees.

San Francisco General Hospital

Acute Operations

Permanent Salaries - Misc.	\$631,295
Mandatory Fringe Benefits	<u>157,824</u>
Subtotal	\$789,119

Psychiatric Services

Permanent Salaries - Misc.	\$90,997
Mandatory Fringe Benefits	<u>22,748</u>
Subtotal	<u>113,745</u>

Total - SFGH	\$902,864
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BOARD OF SUPERVISORS
BUDGET ANALYST

Permanent salaries and fringe benefits for an additional 28 Licensed Vocational Nurses in Acute Operations and 4 Psychiatric Technicians in Psychiatric Services for the period September 11, 1989 through June 30, 1990.

Laguna Honda Hospital

Permanent Salaries - Misc.	\$667,098
Temporary Salaries - Misc.	90,741
Mandatory Fringe Benefits	213,358
Uniforms	<u>5,600</u>
Total - LHH	<u>\$ 976,797</u>

Permanent salaries, fringe benefits and 32 uniforms for an additional 27 Licensed Vocational Nurses (LVNs) and 5 Orderlies for the period September 11, 1989 through June 30, 1990. Temporary salaries for as-needed LVNs.

<u>Total</u>	\$2,088,767
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Comments:

1. According to Mr. Ed Gazzano of DPH, the proposed 32 positions (28 LVNs and 4 Psychiatric Technicians) at SFGH are based on preliminary staffing standards. Mr. Gazzano reports the nurses' MOU conditions the final staffing requirements on the findings of a staffing study which will be completed at the end of October, 1989. At the conclusion of the study, the staffing needs at SFGH will be reevaluated. Therefore, the DPH requests that \$559,776 of \$902,864 for salaries and related fringe benefits for the 32 positions at SFGH for the period from January 1, 1990 to June 30, 1990 be placed on reserve pending the outcome of the staffing study and final agreement on the actual staffing requirements.
2. Mr. Gazzano states that any additional staffing requirements identified at the conclusion of the study would require an additional supplemental appropriation and Salary Ordinance Amendment. Mr. Gazzano also states that the City and the nurses have not discussed the situation should the study indicate that staffing reductions be required.

3. The proposed hiring date of September 11, 1989 is based on the need to provide three weeks of orientation and training for the new employees to begin work on October 1, 1989, as specified in the MOU. However, due to the process required for the approval of supplemental appropriations, the earliest that the nurses could be hired is September 19, 1989. Therefore, the proposed supplemental appropriation should be reduced by \$57,212 from \$2,088,767 to \$2,031,555 for 20.4 biweekly pay periods from September 19, 1989 through June 30, 1990, as follows:

	<u>Amount Requested</u>	<u>Budget Analyst</u>	<u>Recommended Reduction</u>
<u>Public Health - Central Office</u>			
Health Centers			
Permanent Salaries - Nurses	\$77,597	\$75,347	\$2,250
Mandatory Fringe Benefits	21,159	20,545	614
Uniforms	350	350	0
Subtotal	\$99,106	\$96,242	\$2,864
<u>Administration</u>			
Other Current Expenses			
for Childcare	<u>\$110,000</u>	<u>\$110,000</u>	<u>0</u>
Total - Public Health - Central Office	\$209,106	\$206,242	\$2,864
<u>San Francisco General Hospital</u>			
Acute Operations			
Permanent Salaries - Misc.	\$631,295	\$612,987	18,308
Mandatory Fringe Benefits	<u>157,824</u>	<u>153,247</u>	<u>4,577</u>
Subtotal	\$789,119	\$766,234	\$22,885
Psychiatric Services			
Permanent Salaries - Misc.	\$90,997	\$88,358	\$2,639
Mandatory Fringe Benefits	<u>22,748</u>	<u>22,088</u>	<u>660</u>
Subtotal	<u>\$113,745</u>	<u>\$110,446</u>	<u>\$3,299</u>
Total - SFGH	\$902,864	\$876,680	\$26,184
<u>Laguna Honda Hospital</u>			
Permanent Salaries - Misc.	\$667,098	\$647,752	\$19,346
Temporary Salaries - Misc.	90,741	88,110	2,631
Mandatory Fringe Benefits	213,358	207,171	6,187
Uniforms	5,600	5,600	0
Total - LHH	\$976,797	\$948,633	\$28,164
Total Supplemental Appropriation	<u>\$2,088,767</u>	<u>\$2,031,555</u>	<u>\$57,212</u>

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Recommendations:

1. Approve the proposed amendment to the Annual Salary Ordinance (File 102-89-8).
2. Amend the proposed Supplemental Appropriation Ordinance (File 101-89-16) to reserve \$559,776 of the \$902,864 for permanent salaries and mandatory fringe benefits for 32 positions at SFGH for the period January 1, 1990 to June 30, 1990 pending the submission of final SFGH staffing requirements by DPH to the Finance Committee.
3. Also amend the proposed Supplemental Appropriation Ordinance (File 101-89-16) to reduce the proposed amount by \$57,212 from \$2,088,767 to \$2,031,555 for 66 positions based on a starting date of September 19, 1989 for these positions.
4. Approve the proposed Supplemental Appropriation Ordinance as amended (File 101-89-16).

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Item 5 - File 101-89-24

Department: Department of Public Works (DPW), Clean Water Program (CWP)

Item: Supplemental Appropriation Ordinance appropriating funds for capital projects (Oceanside Water Pollution Control Plant), Cleanwater Program, for Fiscal Year 1989-90, and placing \$1,500,000 for software development on reserve.

Amount: \$206,258,664

Source of Funds: Federal/State Grant Funds, State Revolving Loan Funds and Sewer Bond Surplus

Description: The proposed ordinance would appropriate funds for the construction of the Oceanside Water Pollution Control Plant, to be located adjacent to the San Francisco Zoo. Responding to a mandate from the Regional Water Quality Control Board and the United States Environmental Protection Agency, the City and County must complete and begin operating the Oceanside Water Pollution Control Plant by January of 1994.

The estimated construction costs are as follows:

Construction contract	\$180,400,000
Construction contingency	9,020,000
Non-construction costs*	<u>16,838.664</u>
Total	\$206,258,664

*Includes costs for on-site inspections, change orders, facilities start-up, permits, surveys, software development, and other miscellaneous costs.

The Controller's Office has certified available funds from the following sources to fund this project:

1964, 1968, 1970, 1972, 1976, 1988A surplus,	
1988B Sewer Revenue Bond Funds	\$134,759,799
General Obligation Bond Interest Income	2,332,199
Federal and State grants	29,166,666
State Revolving Loan Fund	<u>40,000,000</u>
Total funds available	\$206,258,664

BOARD OF SUPERVISORS
BUDGET ANALYST

The construction contract for the Oceanside Water Pollution Control Plant was advertised on March 16, 1989 and 244 bid packages were distributed. Bids were opened on June 14, 1989. The following four bids were received:

<u>Bidder</u>	<u>Amount</u>
Homer J. Olsen, Inc. & Ohbayashi Corporation (Joint Venture)	\$180,400,000
Tutor-Saliba-Perini-Scott (Joint Venture)	187,770,000
Kiewit Pacific Co.	199,245,000
Newberg/Dick, Construction Co. (Joint Venture)	205,387,000

Comments:

1. The Mayor's Office has reported that \$1,500,000 included within the amount budgeted for non-construction costs is for software development for the facility's automated computer control system. The Clean Water Program has not awarded a contract for the development of this software and consequently does not know the actual cost of the software development. Therefore the Mayor's Office has recommended that \$1,500,000 be reserved for this software development pending the award of the actual software development contract.
2. Homer J. Olsen, the low bidder, submitted a plan to the Human Rights Commission detailing the MBE/WBE status of the construction subcontractors. The Human Rights Commission reports that the MBE and WBE participation is 15.9 percent and 1 percent, respectively.

3. The Board of Supervisors has previously approved legislation regarding this project as follows:

<u>Description</u>	<u>Resolution/ Ordinance Number</u>	<u>Date Approved</u>
Approval of Environmental Impact Report and facilities plan	#201-80, #202-88	March, 1988
Appropriation of funds for final design work	#214-88	June, 1988
Appropriation of funds to construct earth berm and sound barrier fence	#2-89	January, 1989
Authorization to enter into loan agreements with the State to assist in financing the construction	#97-89	February, 1989

Recommendation: Approve the proposed supplemental appropriation ordinance.

Memo to Finance Committee
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Item 6 - File 101-89-14

Department: Department of Public Works (DPW)
Clean Water Program (CWP)

Item: Supplemental Appropriation Ordinance

Amount: \$4,000,000

Source of Funds: Sewer Revenue Bonds, Series 1988A

Project: Islais Creek Transport/Storage Facility

Description: The Islais Creek Transport/Storage Project is one of several Combined Sewer Outflow (CSO) Control Facilities in the City's Master Plan for Wastewater Management. The proposed project is located within the City adjacent to the San Francisco Bay (see Attachment 1) and is intended to transport sewage to the Southeast Water Pollution Control Plant in order to reduce the number of overflows into San Francisco Bay during the City's rainy season. At present, the City has a sewer system in which domestic, commercial and industrial dry-weather sewage moves through the same network of underground sewers that is used to transport rainwater and other street runoff. The existing sewer system is large enough for the dry-weather flows but has insufficient capacity for large wet-weather flows.

Before the area was developed, Islais Creek was a natural channel which collected much of the drainage from the southeastern portion of the City. As the area developed, the portion of the Creek west of Selby Avenue was enclosed in underground pipes and the stormwater runoff that normally went into that portion of the Creek was diverted into the sewer system. The lower part of the Creek that extends from Selby Avenue to San Francisco Bay remains as an open tidal channel.

The project (see Attachment 2) will be designed to temporarily store and convey sewage from Islais Creek drainage basin to the proposed Islais Creek Pump Station for conveyance to the Southeast Water Pollution Control Plant (SEWPCP). As a result of this project, wet weather sewer overflows at several locations of Islais Creek Channel will be reduced from 40 to 50 times each year to ten or less times each year. The requested funds are for the project management, engineering investigation and engineering design work.

BOARD OF SUPERVISORS
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Project Budget: Project Management

Clean Water Program (CWP)	\$236,727
City Attorney	25,000
De Leuw Cather	6,000
Business Development, Inc. (MBE)	150,000
Don Todd, Associates (MBE)	<u>30,000</u>
	\$447,727

Engineering Investigations

Clean Water Program (CWP)	13,100
Bureau of Water Pollution Control	162,000
Bureau of Engineering	37,520
De Leuw Cather	20,000
Geotech Consultants*	<u>306,869</u>
	539,489

Engineering Design

Clean Water Program (CWP)	1,429,130
Bureau of Engineering	1,167,124
Bureau of Water Pollution Control	8,000
Bureau of Streets & Sewer Repair	5,000
Traffic Engineering	16,530
Real Estate Department	55,000
City Attorney	10,000
De Leuw Cather	<u>322,000</u>
	3,012,784

Total Design Budget \$4,000,000

Comments:

1. The California Regional Water Quality Control Board (RWQCB) adopted cease and desist Order No. 88-105 on June 15, 1988, which mandates that the City attain a specific program schedule for the completion of the Islais Creek Transport/Storage Facility. The Islais Creek Transport/Storage Facility is intended to achieve compliance with the Order's prohibition of sewage discharges into San Francisco Bay. The RWQCB-mandated project target dates and the proposed project development schedule provided by the Clean Water Program (CWP) are as follows:

BOARD OF SUPERVISORS
BUDGET ANALYST

	<u>RWQCB Mandate</u>	<u>CWP Schedule</u>
Environmental Review	July 1989	May 1989
Complete Design	May 1991	December 1990
Start Construction	May 1992	September 1991
Complete Construction	June 1994	May 1994

2. According to Mr. Harold Coffee of the Cleanwater Program, at this time, only a preliminary estimate can be made for the construction phase of the project as follows:

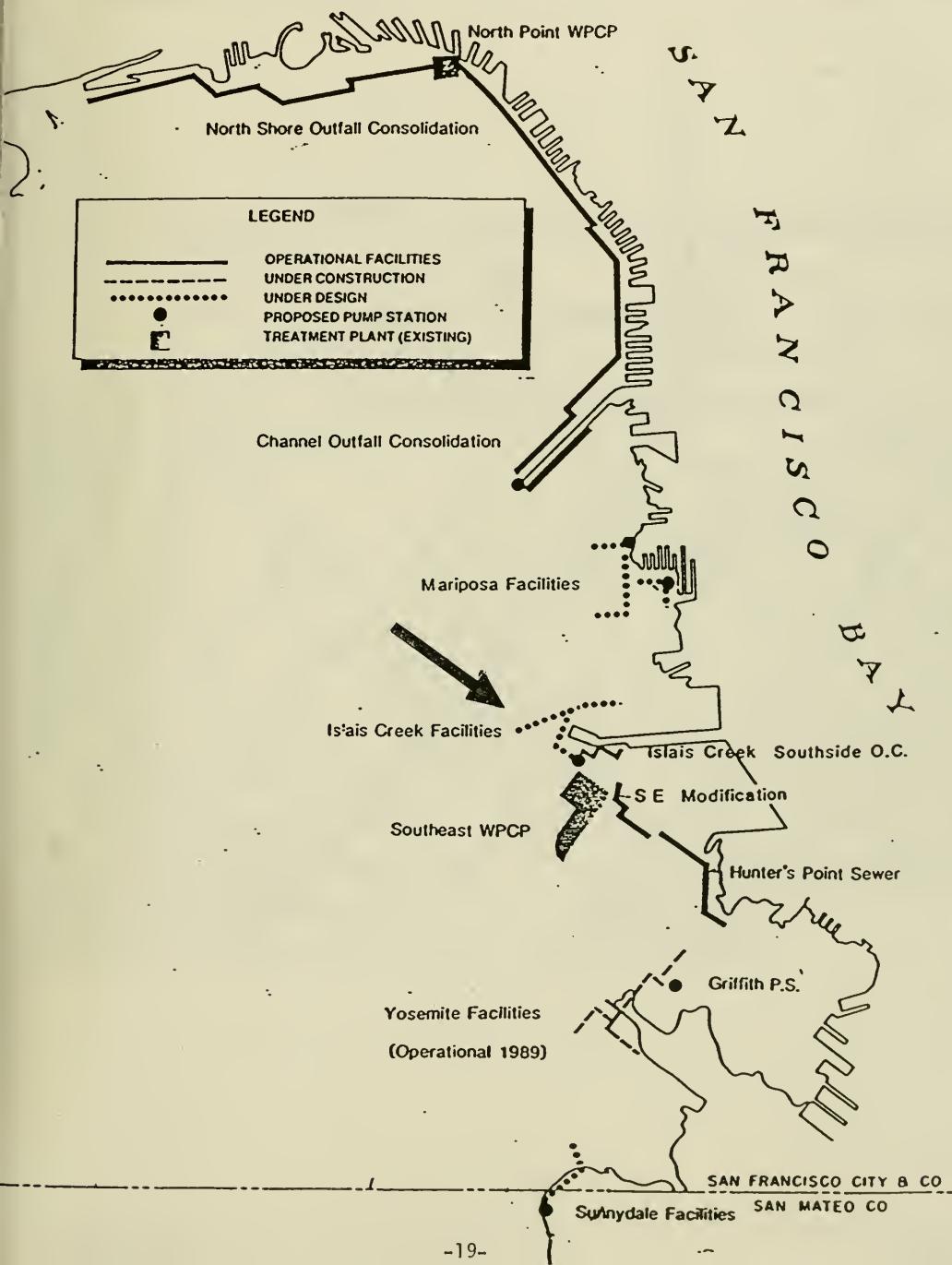
Construction Contract	\$66,000,000
Contingency (10%)	<u>6,600,000</u>
	\$72,600,000
Contract Management (5.5%)	<u>3,960,000</u>
Total Estimated Construction Costs	\$76,560,000

3. DPW will apply to the State Water Resources Control Board for a construction loan which will also include the proposed design, engineering and project management costs totalling \$4,000,000. However, as the loan funds would not be available until construction begins, which is presently scheduled for September, 1991, the design, engineering and project management costs are to be funded initially with City funds from the 1988 A Sewer Bond Series, which will be reimbursed when the Water Resources Control Board loan is received.

4. If the Islais Creek Transport/Storage Facilities Project is not built, the City could be found in violation of the RWQCB's cease and desist order. Potential fines of up to \$10,000 per day and the prohibition of new sewer connections could be imposed on the City by the RWQCB.

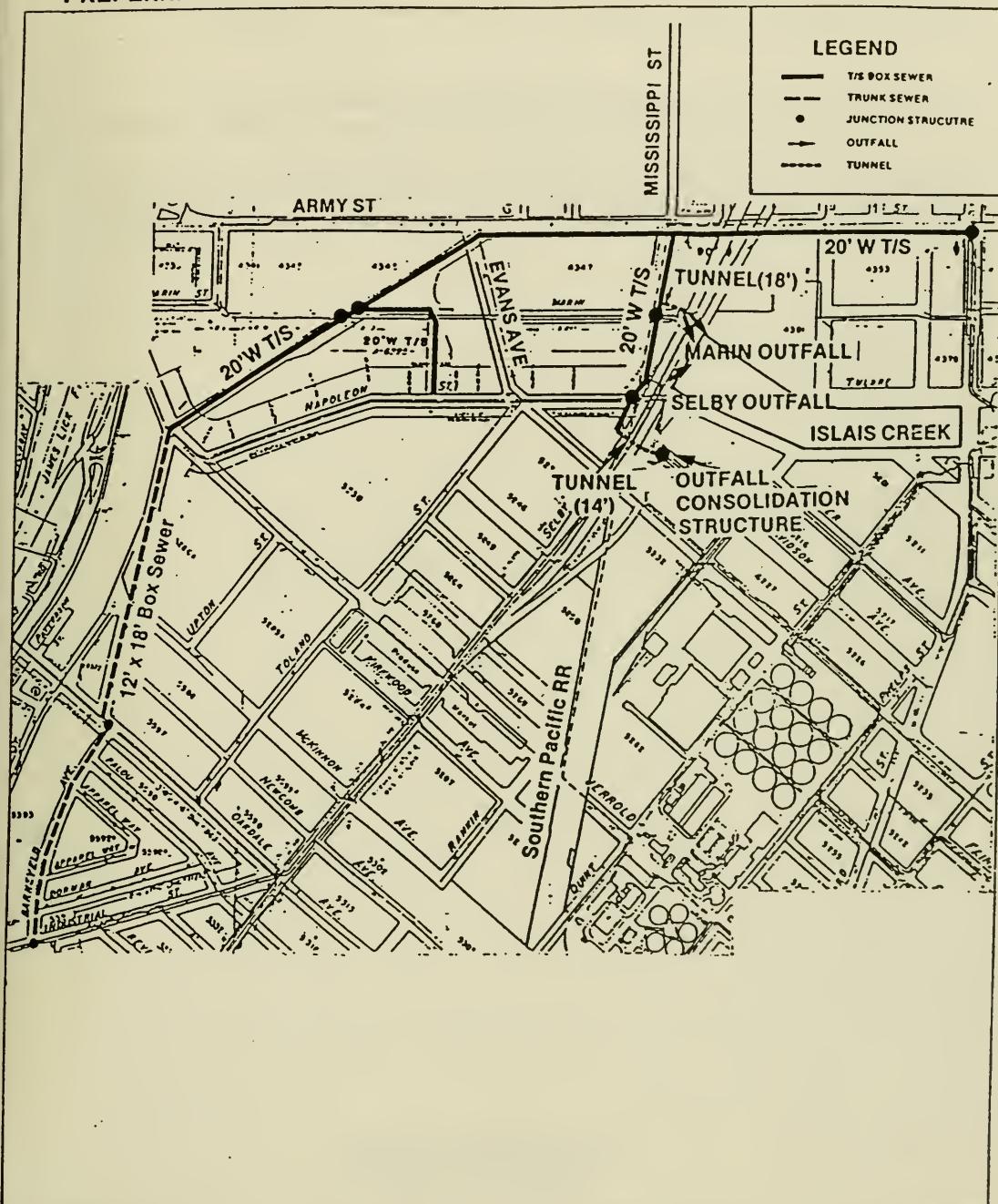
Recommendation: Approve the proposed ordinance.

CSO CONTROL FACILITIES



ISLAIS CREEK TRANSPORT/STORAGE PREFERRED ALIGNMENT

FIGURE 3



Memo to Finance Committee
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Item 7 - File 106-89-4

Note: This item was continued at the August 9, 1989 Finance Committee meeting.

1. This is a hearing to consider the submission of a plan from the Civil Service Commission regarding examination and classification functions.

2. At the July 12, 1989 Finance Committee meeting, the Finance Committee requested that the Civil Service Commission work with the Mayor's Office, the Controller and the CAO develop a plan for examination and classification functions.

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Items 8 and 9 - Files 97-89-32 and 101-89-13

Department: Sheriff's Department

Items: File 97-89-32 Ordinance to amend the San Francisco Administrative Code Section 10.164 to increase the Sheriff's Cash Revolving Fund by \$1,500 from \$3,300 to \$4,800.

File 101-89-13 Supplemental Appropriation Ordinance to increase the Sheriff's Cash Revolving Fund.

Amount: \$1,500

Source of Funds: Rescission of \$1,500 from Material and Supplies

Description: The proposed ordinance (File 97-89-32) would amend the San Francisco Administrative Code Section 10.164 to increase the Cash Revolving Fund of the Sheriff's Department by \$1,500 from \$3,300 to \$4,800. Funding for this Revolving Fund increase has been requested in a companion Supplemental Appropriation Ordinance (File 101-89-13).

The Sheriff's Department Cash Revolving Fund consists of \$3,300 which is used for reimbursements to employees for repair parts (nuts and bolts), small equipment, lights, batteries, special office supplies including numbered forms, small subscriptions and bridge tolls.

The proposed increase of \$1,500 would supplement some of the following cash funds and create one new account for Jail No. 4 as follows:

	<u>Current Amount</u>	<u>Proposed Amount</u>	<u>Proposed Increase</u>
Training	\$200	\$200	-
Administration	900	900	-
Hospital	100	100	-
Work Furlough	400	400	-
Internal Affairs	50	100	\$50
Investigative Affairs	50	100	50
Jail No.1	300	500	200
Jail No. 2	300	500	200
Jail No. 3	600	1,000	400
Jail No.4	-	500	500
Personnel	50	100	50
Research and Development	50	100	50
Civil	200	200	-
Courts	100	100	-
Total	\$3,300	\$4,800	\$1,500

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Comments:

1. The additional \$1,500 would create one new account to facilitate petty cash requirements for the new Jail No. 4 and supplement seven existing accounts. The cash totals in six other existing accounts would remain the same.
2. According to Lieutenant Janet Dempsey of the Sheriff's Department, the \$1,500 supplemental to augment the various cash revolving accounts in the Sheriff's Department will facilitate and consolidate one monthly statement and reimbursement request from the Sheriff to the Controller to replenish each of the fourteen cash accounts necessary for the efficient operation of the Sheriff's Department.
3. The additional \$1,500 of funds would be transferred from the Sheriff's Department FY 1989-90 budget for materials and supplies and no additional General Funds would be required.

Recommendation: Approve the proposed ordinances.

BOARD OF SUPERVISORS
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Item 10 - File 101-89-15

Department: Juvenile Court

Item: Supplemental Appropriation Ordinance

Amount: \$26,253

Source of Funds: Surplus AB 1024 monies previously set aside for Juvenile Hall kitchen improvements.

Description: The proposed Supplemental Appropriation Ordinance would appropriate funds to purchase and install laundry equipment at Youth Guidance Center (YGC). The YGC currently has one washing machine and two dryers. The YGC would issue a workorder to the Department of Public Works (DPW) to purchase and install one additional washer and one additional dryer. The new laundry equipment would be used to improve YGC's ability to meet State health standards for the provision of clean clothing for youths at YGC. The cost estimates are as follows:

Installation of Washer and Dryer and related Asbestos Abatement Work -DPW	
125 hrs. x \$40/hr.	\$ 5,000
Washer (1)	11,500
Dryer (1)	8,500
Materials	
Piping, electrical wiring, foundation materials related to the installation of the washer and dryer	<u>1,253</u>
	\$26,253

Comment:

1. Ms. Jeanne Bailey of Juvenile Court indicates certain pipes in the laundry room are covered with asbestos and that asbestos abatement would be required during the installation of the laundry equipment.

2. According to Ms. Bailey, the proceedings of current litigation between the Youth Law Center, a youth advocacy group, and the City have revealed that the YGC's ability to meet State health standards for the provision of clean clothing could be improved. Ms. Bailey reports that the purchase and installation of the proposed laundry equipment would satisfy one of the concerns posed by the Youth Law Center.

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3. The Budget Analyst has independently verified the prices of the washer and dryer with industrial laundry equipment vendors.

Recommendation: Approve the proposed ordinance.

BOARD OF SUPERVISORS
BUDGET ANALYST

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Item 11 - File 118-89-3

1. The proposed ordinance would delete certain provisions of Health Code Section 124.4 relating to the release of liens imposed prior to July 13, 1966 for the cost of medical services.

2. As currently worded, Health Code Section 124.4 requires that the Board of Supervisors act on each lien release covered by the section. Ms. Sharon Kennison, Assistant Administrator for Patient Finance at San Francisco General Hospital, states that the proposed ordinance is designed to eliminate the involvement of the Board of Supervisors in this process, allowing these liens to be handled by the Bureau of Delinquent Revenue (BDR) in the Tax Collector's Office.

Comments

1. Approval of the proposed ordinance would remove the authority of the Board of Supervisors to approve individual lien releases.

2. As of the writing of this report, it was not clear what mechanism will remain for the BDR to release these liens if the specified provisions of Health Code Section 124.4 are deleted. Therefore, the author of the proposed ordinance requests that this item be continued to the September 20, 1989, Finance Committee meeting.

Recommendation

Continue the proposed ordinance until September 20, 1989 as requested by the author.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 12 - File 168-89-6

1. The proposed resolution would urge the Mayor to urge the City Planning Commission, the Recreation and Park Commission and the General Manager of the Recreation and Park Department to consider the purchase of Lot 76, Block 2949A in Glen Canyon, on the west side of O'Shaughnessy Boulevard, with Open Space Funds.

2. The Real Estate Department has previously reported that the property is not currently being considered for purchase. However, Real Estate reports that the property is a 106,512 square foot vacant lot owned by Mr. Tony Sheehan, a Daly City Developer. The property is covered by naturally growing wild scrub bush. The property runs parallel to O'Shaughnessy Boulevard and is separated from O'Shaughnessy Boulevard by a 200 strip of land owned by the City. As a result, the property has no access to the street. The property is zoned for single family residences and is surrounded by detached single family homes.

3. The Recreation and Park Department reports that the property previously has been considered for acquisition by the Open Space and Park Renovation Fund, but the Open Space Committee decided not to purchase the proposed site. Although the property is near the Glen Canyon Park, the Department reports that the property has no apparent recreational value and may be held as open space.

Comments

1. Ms. Debra Learner of the Recreation and Park Department states that the subject property has not been designated for Open Space acquisition. Since this property is across the street from the larger Glen Canyon Open Space area, Ms. Learner states that this acquisition is not a priority. However, it has value as a natural landscape and is across from the Glen Canyon space.

2. Ms. Learner states that she has no knowledge or information concerning the potential cost of acquisition of the space. She does state that if acquired, the cost of maintenance of the parcel would be minimal. Mr. Tony Delucchi of the Real Estate Department states that no action has been taken with regard to this potential acquisition, and that there has been no recent contact with the landowner in this matter. Ms. Learner states that since the land has never been designated for acquisition with Open Space monies, no funds have been set aside for that purpose. Ms. Learner states that the high cost of acquisitions and development in higher priority areas such as South of Market and Chinatown reduce the availability of Open Space Fund monies for this proposed acquisition.

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Recommendation

The proposed resolution for consideration of acquisition of land for open space is a policy matter for the Board of Supervisors.

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Item 13 - File 51-89-2

The proposed resolution would authorize the payment of claims made by various City employees for the cost of their personal property which has been damaged and/or stolen in the line of duty and without the fault of the employees involved. Please refer to the attached Controller's report regarding the specific claims and recommended reimbursements to the 16 employees at a total cost of \$1,470.16.

Recommendation

Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

REIMBURSEMENT FOR DAMAGED OR STOLEN PERSONAL PROPERTY OF CITY EMPLOYEE

August 2, 1989

<u>Department</u>	<u>Item</u>	<u>Amount Claimed</u>	<u>Amount Recommended</u>
<u>Recreation and Park</u>			
Joseph E. Bell	Damaged wedding band	\$ 214.00*	\$ 215.00
Darryl Poquis	Damaged Automobile	199.00	-0-
Anthony J. Sadoti	Auto Broken Glass	344.71	-0-
Lillian Tam	Stolen Pad Lock	4.78	4.78
Renne Bollock	Stolen Cassette Recorder	69.21	52.00
<u>Municipal Railway</u>			
Jose F. Diaz	Damaged Auto	350.00	-0-
Harold W. Conklin	Damaged Auto Tires	265.81	-0-
Harry H. Womack	Broken Eyeglasses	107.00	72.00
<u>Dept. Public Health</u>			
Maria Angel	Broken Eyeglasses	114.95	77.00
<u>District Attorney</u>			
Angela Brown	Damaged Wool Slacks	75.00	75.00
<u>Public Works</u>			
Tomio Takeshita	Stolen Leather Jacket	260.00	-0-
John Frederic Thomas	Various Stolen Items	115.00	45.00
Thomas Franzia	Various Stolen Items	145.00	115.00
Bonnie G. Ng	Lost Camera	47.30	42.80
Robert Quan	Various Stolen Items	310.00	-0-
Suritha Jackson	Broken Eyeglasses	100.00	67.00
<u>Assessor</u>			
Diosdado A. Kudemus	Damaged Auto	80.00	80.00
Sheila Greven	Damaged Auto	338.00	338.00
<u>Arts Commission</u>			
Wallace James Brown	Stolen Leather Jacket	380.00	-0-
<u>Hetch Hetchy</u>			
David V. Shaw	Lost Eyeglasses	178.00	101.00
<u>Controller</u>			
Celestia Herranz Lao	Damaged Skirt	16.58	16.58
<u>Juvenile Court</u>			
Jacob Davis	Damaged Panties	.00.00	130.00
David Griffis	Damaged Sweater	50.00	39.00
<u>TOTAL</u>		<u>\$ 3,894.34</u>	<u>\$ 1,470.16</u>

0226c

*Correct amount is \$215.00.

Memo to Finance Committee
September 6, 1989

Item 14 - File 101-88-60.2

Department: Port of San Francisco

Proposed Action: Request for release of reserved funds to provide contractual assistance in the development of a strategic plan to guide the Port of San Francisco's goals, objectives and policies.

Amount: \$200,000

Source of Funds: Previously appropriated but reserved San Francisco Harbor Operating Funds.

Description: The Port Commission adopted, at its meeting of October 26, 1988, a resolution citing the desire to develop a detailed, long-range strategic plan, the Port's need for assistance in developing such a plan, and its approval of a request for a supplemental appropriation to conduct a strategic plan.

According to the Port, the Strategic Plan would serve two major purposes, as follows:

- a. Define the Port's mission with emphasis on identifying who the Port's clients should be and how the Port's goals and objectives would fit into the City's economic development goals. The Strategic Plan's time line would extend to the year 2020.
- b. Provide direction concerning physical development, financial, institutional, marketing, and management strategies to accomplish identified goals and objectives.

The Strategic Plan would be overseen by the Port Commission and the study process managed by a Steering Committee consisting of the following members:

Anne Halsted, Port Commission President
James Ho, Deputy Mayor for Economic Development
Michael Huerta, Port Director
Dean Macris, Director of Planning
Michael McGill, Executive Director, SPUR

A Citizen's Advisory Panel would be selected to provide advice and counsel on a variety of issues. Day-to-day activities would be managed by an in-house Study Director, who would supervise Port staff and consultant work.

BOARD OF SUPERVISORS
BUDGET ANALYST

A proposed work breakdown structure for the Strategic Plan is as follows and would be performed, sequentially, as shown from the left:

<u>Assess External Environment & Current Situation</u>	<u>Re-assess the Port's Mission</u>	<u>Establish Mission, Goals & Objectives</u>	<u>Develop Strategies</u>	<u>Implementation Program</u>
Maritime Trade Conditions	Identify Issues		Physical Development	Action Plan
Technology	Prepare Options and Scenarios		Financial	Project Management
City's Economic Development Conditions	Evaluate Options and Scenarios		Legislative Management	Phasing
Political, Social and Regulatory Environment			Management	Cost Estimates
Port Conditions				
Financial Conditions				

According to the Port, the following list designates consultant and report preparation needs to develop the proposed Strategic Plan, along with cost estimates for each:

Maritime Trade Analyst	\$41,000
Commercial Development Analyst	38,500
Financial Analyst	48,500
Management Analyst	34,500
Marketing Analyst	7,500
Subtotal	\$170,000
Report Preparation	\$15,000
Contingency	15,000
Subtotal	\$30,000
TOTAL	<u>\$200,000</u>

Comments:

1. The Budget Analyst, in a management audit of the Port of San Francisco completed in May of 1986, recommended that the Port develop a strategic plan to guide its efforts to optimize Port facilities and strengths. At that time, we envisioned that the strategic plan would be developed in-house.

2. The Port requested a \$200,000 Supplemental Appropriation in December, 1988, to fund outside consulting assistance for the development of a strategic plan. The request was approved but the funds reserved by the Board of Supervisors. The reserve was placed on these funds pending a report back from the Port to the Finance Committee as to the contracted hours, rates, and MBE/WBE status of the outside consulting services.

3. Selection of the consultants interviewed by the Steering Committee proceeded on a Request For Proposal basis. The Port reports that it sent Request For Proposal packages to as many as 70 consulting firms throughout the country. Ten proposals were received and evaluated by Port staff using guidelines established by the San Francisco Human Rights Commission. Four of the ten candidates were then recommended for interview by the Steering Committee.

According to Ms. Zula Jones of the Human Rights Commission, Port Liaison Compliance Officer, the Minority Business Enterprise (MBE)/Women Business Enterprise (WBE)/Local Business Enterprise (LBE) status of the four finalists is as follows:

Booz Allen/Hamilton (Joint Venture)	WBE/LBE
CRESAP Management Consultants	LBE
MANALYTICS(Joint Venture)	LBE/WBE
Temple, Barker & Sloane (Joint Venture)	WBE

4. According to Mr. Rick Wiederhorn of the Port Commission, the Steering Committee interviewed all four firms using four equally weighted evaluation criteria-project approach and methodologies, team organization and capabilities, client-consultant rapport and relationships, and cost. There was no significant difference in the cost proposals of the four bidders (three bidders bid \$200,000). The Steering Committee considered that the other factors used in the evaluation outweighed the cost aspect in selecting CRESAP. The budget for the CRESAP proposal is as follows:

Memo to Finance Committee
September 6, 1989

Consulting Fees

Senior Manager(s)	\$250/hr x 190 hrs	=	\$47,500
Project Management	\$200/hr x 100 hrs	=	20,000
Professional Staff	\$105/hr x 1020 hrs	=	107,100
Support Staff	\$ 50/hr x 140 hrs	=	<u>7,000</u>
Subtotal			\$181,600
 <u>Expenses</u>			 18,400
			\$200,000

Recommendation: Approve the release of \$200,000 in reserved funds.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 15 - File 65-89-5

Department: Recreation and Park

Item: Proposed ordinance approving amendment of the Candlestick Park lease between the San Francisco Giants and the City.

Description: 1. The present lease between the San Francisco Giants and the City was executed on March 15, 1958 for a period of 35 years and is to terminate at the end of the 1993 baseball season. The proposed amendment to the Candlestick Park lease would allow the San Francisco Giants, by written notice, to convert the remainder of the term of the lease into a series of one year options if (1) a new proposed downtown ballpark is ready for occupancy prior to the 1995 baseball season or (2) specific project milestones for the proposed downtown ballpark project are not met. Converting the remainder of the term of the existing Candlestick Park lease with the Giants could result in an early termination by the San Francisco Giants of its Candlestick Park lease.

The proposed lease amendment would specifically allow the Giants to notify the City by December 31st that the Giants could terminate the remainder of the terms of the lease, with such termination to be effective as of December 31st of the year in which the termination notice is given.

2. The specific downtown ballpark project milestones which, if not met, would allow the San Francisco Giants to convert to the one year options are as follows:

- a. The passage of the ballot measure approving the downtown ballpark project and, to the extent voter approval is legally required in the November, 1989 election, providing the funding for transportation and traffic improvements including building of the Embarcadero Parkway, constructing a MUNI Metro Turnback and MUNI Extension with a station at the ballpark and building the MUNI F-Line.

- b. The aggregate deposits received by Spectacor Management Group, the developer of the proposed downtown ballpark, for the sales of luxury suites and VIP loge seats together amount to \$8,250,000 by September 30, 1990.
- c. Delivery to the Giants by the City by November 1, 1990 of the staffing plans to provide adequate traffic and pedestrian control in the vicinity of and at the ballpark before, during and after each baseball game.
- d. City approval of the final Environmental Impact Report for the ballpark by December 15, 1990.
- e. Issuance/sale of \$50.0 million in tax exempt bonds for financing the ballpark by December 31, 1990.
- f. Enactment of all ordinances and other approvals to provide a parking garage with 1,500 parking spaces by June 30, 1991.
- g. Commencement of construction of the traffic and transit improvements by June 30, 1991.
- h. Acquisition, assembly and assurance of developability of the land for the ballpark by January 31, 1992.
- i. Receipt of all necessary federal, state and local governmental and quasi-governmental approvals for the commencement of construction of the ballpark by December 31, 1992.
- j. Execution of the ground lease for the ballpark by the City or its designee and Spectacor by January 31, 1993.
- k. Delivery of a clean site to Spectacor in a condition such that Spectacor may immediately begin construction of the ballpark by January 31, 1993.
- l. Commencement of construction of the ballpark by January 31, 1993.
- m. Delivery to Spectacor of adequate infrastructure to the property lines of the ballpark site to Spectacor's satisfaction by June 30, 1993.

- n. Commencement of construction of the parking structure by the City or its designee by September 30, 1993.
- o. Completion of construction of the project (ballpark, parking and all traffic and transit improvements) by January 31, 1995.

3. Mr. Ernie Prindle, of the Recreation and Park Department, has prepared estimates of the net annual financial impact on the Candlestick Park Fund if the San Francisco Giants were to terminate the lease prior to its expiration as follows:

Estimated Loss of Direct Revenue	\$2,696,632
Less: Estimated Reductions in Cost	(1,152,587) *
Anticipated Additional Revenues	<u>(870,000) **</u>
Net Potential Annual Loss to Candlestick Park Fund	\$674,045

*It should be noted that the estimated reductions in cost might require layoffs of City employees.

** The anticipated additional revenues assume that 37 additional annual events would be scheduled at Candlestick Park.

Comments:

1. In discussions with Mr. Corey Busch, Mr. Busch pointed out that should the Giants exercise their right under this proposed lease amendment to terminate their tenancy at Candlestick Park early, the City would then have the opportunity to accelerate the renovation program currently underway to improve Candlestick Park for the 49ers. Acceleration of that program, according to Mr. Busch, would have beneficial economic impact on the City, such as the construction of additional seats. Mr. Busch points out that this would result in increased revenues to the City. The Budget Analyst concurs with this observation of Mr. Busch.

2. The Mayor on behalf of the City executed Memorandum of Understandings (MOUs) with the San Francisco Giants and Spectacor on July 27, 1989. These MOUs are agreements related to the development and construction of the downtown ballpark and obligate the City to provide full site acquisition and preparation, construction of a 1,500 space garage, infrastructure improvements, traffic and transit improvements, all of which are mentioned above as milestones integral to the proposed lease amendment. The complete details and cost estimates of these obligations are not yet available for review by the Budget Analyst, but will be reviewed and reported on by the Budget Analyst as they become available. The Budget Analyst anticipates completion of a report on the proposed downtown ballpark on or about September 30, 1989.
3. The MOU executed by the Mayor with the San Francisco Giants on July 27, 1989 states that if this proposed amendment to the Candlestick Park lease is not approved by October 3, 1989, the Giants may, by submitting written notice, terminate the MOU and be released from all obligations contained therein.
4. In an August 18, 1989 letter to the Budget Analyst from Ms. Carol Wilkins, Deputy Mayor, Finance (see attachment), Ms. Wilkins stated, regarding this proposed amendment to the Candlestick Park lease with the Giants, "I think it is important to view this guarantee, and the potential consequences if the City fails to take those steps necessary to construct the new ballpark, in the context of the overall agreement we have reached with both the Giants and Spectacor."
5. As reported above by the Recreation and Park Department, \$870,000 of additional revenues are anticipated to be generated from 37 outside annual events. If these events are held, and if the estimated reduction in costs of \$1,152,587 can be achieved, there would still remain an annual net estimated loss of \$674,045 to the Candlestick Park Fund. However, if fewer than 37 annual events are scheduled, and the total estimated cost reductions are not achieved, the potential annual loss to the City of \$674,045 would increase. Assuming the Recreation and Park Department's projected annual net loss of \$674,045, and given that there are four years remaining in the Giants' lease with the City, if the Giants decide to terminate the lease in 1989, such termination would result in a net loss of approximately \$2.7 million over a four-year period.

BOARD OF SUPERVISORS
BUDGET ANALYST

Recommendations: 1. The Budget Analyst notes that the City has no responsibility nor control of the sale or receipt of deposits on luxury suites and VIP loge seats nor the award of the construction contract for the ballpark (project milestones 2. b. and 2. l. above) relating to the receipt of \$8,250,000 in deposits by September 30, 1990 from the sale of luxury suites and VIP loge seats and commencement of the construction of the ballpark by January 31, 1993. Normally, the Budget Analyst would not recommend the inclusion of these two milestones in the proposed lease agreement. However, according to Mr. Busch, these milestones were incorporated based on a 'give and take' negotiating process, and their inclusion in the proposed lease agreement must be balanced with other considerations. Consequently, the Budget Analyst believes that this is a policy matter for the Board of Supervisors.

2. As noted above, the proposed amendment would permit the San Francisco Giants to have an early termination of its Candlestick Park lease. The Board of Supervisors has directed the Budget Analyst to report on the proposed downtown ballpark. We anticipate completing our report on or about September 30, 1989. In view of the fact that our report on the proposed downtown ballpark is not yet complete, and in view of the fact that all of the details of the proposed downtown ballpark have not yet been finalized according to the Mayor's Office, and in view of the fact that the proposed amendment to permit the Giants to have an early termination of its Candlestick Park lease has a direct relationship on the proposed downtown ballpark, the Budget Analyst is unable to make a recommendation of this proposed amendment to permit the Giants early termination of its Candlestick Park lease at this time.

Office of the Mayor
SAN FRANCISCO



ART AGNOS

August 18, 1989

Mr. Harvey Rose
Budget Analyst
1390 Market #1025
San Francisco, California 94102

Dear Harvey:

As you review the proposed amendment to the Giants' Candlestick Park lease, I would like you to consider some of the factors which convinced the Mayor to agree to support this lease amendment.

First, and most significantly, the Giants have made a commitment to stay in San Francisco well into the next century, assuming that the City of San Francisco will participate in the construction of a new ballpark. In making this commitment to San Francisco, the Giants have given up the opportunity to pursue more lucrative offers from other cities.

This lease amendment is, in effect, a statement of commitment by the City to take all of the steps needed to ensure that the proposed ballpark -- which has enticed the Giants to remain here in San Francisco -- becomes a reality.

In our negotiations with the Giants it became clear that the good intentions and enthusiasm of the Mayor and other ballpark supporters did not provide sufficient assurances to convince the Giants to forego other opportunities. The Mayor and the City have to be willing to provide a meaningful guarantee, first to obtain voter support for the ballpark in the November election and then to fulfill the City's responsibilities to allow construction of the ballpark by 1995.

I think it is important to view this guarantee, and the potential consequences if the City fails to take those steps necessary to construct the new ballpark, in the context of the overall agreement we have reached with both the Giants and Spectacor. Professional sports teams are in an enviable position when they negotiate with cities around the country. When you have an opportunity to review the terms of our agreement in comparison with the agreements other cities have made to keep or attract sports teams, I think you will find that we have a very good deal. If we maintain our end of this deal, the only effect of this lease amendment will be to allow the Giants to move into the new ballpark as soon as it is ready for occupancy. On the other hand, if for any reason we fail, the Mayor has indicated his willingness to work with other Bay Area communities in a regional effort to keep the Giants close to home.

A second justification for the proposed Candlestick lease amendment is that it may allow the City to gain a more speedy resolution of any legal disputes that arise during the ballpark development process. If it is clear that the City will suffer some consequence if a lawsuit delays our progress unnecessarily, we will be better able to resolve legal disputes promptly.

I hope this information is helpful as you review the proposed lease amendment. If you have any questions, please don't hesitate to call me.

Sincerely,



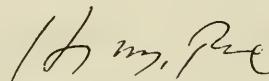
Carol Wilkins
Deputy Mayor,
Finance

CW/fms

Memo to Finance Committee
September 6, 1989

Item 16 - File 45-89-34

The proposed ordinance authorizing settlement of litigation is a legal matter under the responsibility of the City Attorney's Office. The Budget Analyst does not normally review and report on such items.



Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

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BOARD of SUPERVISORS



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San Francisco 94102
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SEP 13 1989

NOTICE OF CANCELLED MEETING
FINANCE COMMITTEE

SAN FRANCISCO
PUBLIC LIBRARY

NOTICE is hereby given that the regular meeting of the Finance Committee, scheduled for Wednesday, September 13, 1989, at 2:00 p.m., has been cancelled. The next meeting will be held on Wednesday, September 20, 1989.

Mary Anne Bulen
Mary Anne Bulen

Acting Clerk of the Board

POSTED: September 8, 1989

FINANCE COMMITTEE
BOARD OF SUPERVISORS
ROOM 235, CITY HALL
SAN FRANCISCO, CALIFORNIA 94102

IMPORTANT
HEARING NOTICE

ACTION:

1. File 91-89-1. [Redevelopment Agency Bonds] Resolution approving the issuance by the Redevelopment Agency of the City and County of San Francisco of refunding residential mortgage revenue bonds in an aggregate principal amount not to exceed \$40,000,000. (Redevelopment Agency)

CLERK: GREG HOBSON

MEMBERS: SUPERVISORS WALKER, WARD, HALLIAN

WEDNESDAY, SEPTEMBER 13, 1989 - 2:00 P.M. ROOM 228, CITY HALL

CITY AND COUNTY OF SAN FRANCISCO
BOARD OF SUPERVISORS

FINANCE COMMITTEE
SPECIAL MEETING OF

CALNDAR

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3/89 = Action Taken

CALENDAR
SPECIAL MEETING OF
FINANCE COMMITTEE

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SEP 14 1989

SAN FRANCISCO
PUBLIC LIBRARY

Board of Supervisors
City and County of San Francisco

WEDNESDAY, SEPTEMBER 13, 1989 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

ABSENT: SUPERVISOR WALKER

CLERK: GREG HOBSON

1. File 91-89-1. [Redevelopment Agency Bonds] Resolution approving the issuance by the Redevelopment Agency of the City and County of San Francisco of refunding residential mortgage revenue bonds in an aggregate principal amount not to exceed \$40,000,000. (Redevelopment Agency)

ACTION: RECOMMENDED.

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CITY AND COUNTY

OF SAN FRANCISCO



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BOARD OF SUPERVISORS

SEP 13 1989

BUDGET ANALYST

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PUBLIC LIBRARY

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SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

September 11, 1989

TO: Finance Committee

FROM: Budget Analyst

SUBJECT: September 13, 1989 Special Finance Committee Meeting.

Item 1 - File 91-89-1

Department: San Francisco Redevelopment Agency (SFRA)

Item: Resolution approving the issuance of Refunding Residential Mortgage Revenue Bonds.

Amount: Not to exceed \$40,000,000.

Description: In October, 1983, the SFRA issued \$40,000,000 in 1983 Series A Housing Mortgage Revenue Bonds. The bond proceeds were used to develop 410 residential units known as St. Francis Place at Third and Folsom Streets which included 82 (20% of 410) units designated for low and moderate income persons.

Due to unforeseen legal problems, the developer of St. Francis Place incurred higher than normal construction costs and, because of a higher vacancy rate than anticipated, the developer is defaulting on the Housing Mortgage Revenue Bonds that financed the project. Upon completion of default proceedings, which are currently in process, a new owner would replace the original developer and the City will no longer have 82 housing units dedicated to persons with low and moderate incomes because the new owner would have no obligation to the City to continue to dedicate 82 units for low and moderate income persons.

In order to preserve the 82 units dedicated to low and moderate income persons, the SFRA proposes refinancing the original 1983 Housing Mortgage Revenue Bonds with Refunding Residential Mortgage Revenue Bonds at a substantially lower interest rate. By using the Refunding Residential Mortgage Revenue Bonds, 82 low and moderate income units would be preserved because the original developer would be able to continue as the owner and would then continue to guarantee that the 82 units would be dedicated to low and moderate income persons. The 1983 bonds have a fixed interest rate of 9.65 percent whereas the proposed bonds would have a variable rate, currently estimated to be 6.0 percent. At the 6.0 percent rate, the developer would save approximately \$1.4 million in interest costs annually over the eleven-year term of the new bonds.

Comments:

1. Mr. Bob Gamble of SFRA reports that fixed rate bonds are also being considered as an alternative refinancing method. According to Mr. Gamble, the market rate for fixed rate bonds sold in August, 1989, was 6.875 percent interest. Refinancing with fixed rate bonds at 6.875 percent interest would guarantee an annual savings of approximately \$1.1 million to the developer whereas the previously reported \$1.4 million savings is based on a variable rate which could increase over the eleven-year term of the new bonds, thereby resulting in less savings.
2. As with the original, 1983 bonds, the proposed new refinancing bonds would be issued without any obligation of the City's faith and credit. The developer would continue to have total responsibility for repayment of the bonds.

Memo to Finance Committee
September 13, 1989

Recommendation: Approve the proposed resolution



Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

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9/20/89
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Action Taken

CALENDAR
MEETING OF
FINANCE COMMITTEE

Board of Supervisors
City and County of San Francisco

WEDNESDAY, SEPTEMBER 20, 1989 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

ABSENT: SUPERVISOR WALKER

CLERK: GREG HOBSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

1. File 65-89-5. [Lease Amendment] Ordinance approving second amendment to the stadium lease between the City and County of San Francisco by and through its Recreation and Park Commission and the San Francisco Giants. (Supervisor Britt)

(Cont'd from 9/6/89)

ACTION: RECOMMENDED.

2. File 121-89-6. [Filing and License Fees for Police Permits] Ordinance amending Police Code by amending Sections 2.26 and 2.27 relating to filing fees and deleting filing and license fees for motor vehicles for hire. (Mayor)

(Cont'd from 8/16/89)

ACTION: CONTINUED TO THE CALL OF THE CHAIR.

3. File 121-89-7. [Fees for Motor Vehicle for Hire Permits] Ordinance amending Police Code by adding Sections 2.26.1 and 2.27.1 establishing separate filing and license fee schedules for motor vehicles for hire. (Police Department)

(Cont'd from 8/16/89)

ACTION: CONTINUED TO THE CALL OF THE CHAIR.

4. File 118-89-3. [Medical Liens] Ordinance amending Article 3 of the San Francisco Health Code by amending Section 124.4 to delete provisions relating to medical liens for services before 1966. (Supervisor Kennedy)

(Cont'd from 9/6/89)

ACTION: CONTINUED TO THE CALL OF THE CHAIR.

5. File 28-89-10. [Airport Administration] Resolution approving a declaration of emergency, Taxiway 'A' 8-inch Industrial waste pipeline repair, Airport Contract No. 2190 San Francisco International Airport - \$52,777. (Airport Commission)

(Cont'd from 9/6/89)

ACTION: RECOMMENDED.

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6. File 106-89-4. To consider the submission of a plan from Civil Service Commission regarding examination and classification functions. (Supervisor Walker)

(Cont'd from 9/6/89)

ACTION: CONTINUED TO NOVEMBER 8, 1989, MEETING.

7. File 250-89-1. Hearing to consider the City Workers' Compensation system.

(Cont'd from 8/30/89)

ACTION: CONTINUED TO THE CALL OF THE CHAIR.

8. File 101-89-19. [Government Funding] Ordinance appropriating \$280,000, Human Rights Commission, for permanent salaries and related mandatory fringe benefits, professional services, training, services of other departments - Controller's data processing, Purchasing - general office and data processing equipment, for the creation of two positions (Classifications 1818 Management Information System Specialist II and 1721 Senior Data Entry Operator). (Controller) RO #9051 (COMPANION TO THE FOLLOWING FILE)

ACTION: CONTINUED TO THE CALL OF THE CHAIR.

9. File 102-89-7. [Public Employment] Ordinance amending Annual Salary Ordinance 1989-90, Human Rights Commission, reflecting the addition of two positions (Classifications 1818 Management Information Systems Specialist II and 1721 Senior Data Entry Operator). (Civil Service Commission) (COMPANION TO THE PRECEDING FILE)

ACTION: CONTINUED TO THE CALL OF THE CHAIR.

10. File 101-89-22. [Government Funding] Ordinance appropriating \$12,000, Police Department, for program project budget (enforcement). (Controller) RO #9054

ACTION: CONTINUED TO THE CALL OF THE CHAIR.

11. File 101-89-25. [Government Funding] Ordinance appropriating \$41,100, Recreation and Park Department, for program project budget (San Francisco County Fair - Flower Show). (Controller) RO #9062

ACTION: CONTINUED TO THE CALL OF THE CHAIR.

12. File 97-89-35. [Revolving Fund] Ordinance amending Administrative Code, by amending Section 10.160, Recreation and Park Department, to increase said Revolving Fund from \$17,250 to \$27,250. (Recreation and Park Department)

ACTION: CONTINUED TO THE CALL OF THE CHAIR.

13. File 168-89-3.2. [Eminent Domain - Public Hearing] Motion declaring the intention of the Board of Supervisors to hold a public hearing to consider adopting a resolution of necessity in connection with a proposal to acquire by eminent domain Assessor's Block 2050A, Lot 6 (1848 - 14th Avenue) in San Francisco for Open Space Program. (Real Estate Dept.)

ACTION: AMENDED. RECOMMENDED AS AMENDED. Insert wherever appropriate November 13, 1989, 3:00 p.m. for public hearing date and time. AMENDED TITLE: "Declaring the intention of the Board of Supervisors to hold a public hearing on November 13, 1989, at 3:00 p.m. to consider adopting a resolution of necessity in connection with a proposal to acquire by eminent domain Assessor's Block No. 2050A, Lot 6 in San Francisco for the Open Space Program."

14. File 168-89-3.1. [Eminent Domain] Resolution authorizing acquisition of Lot 6 in Assessor's Block 2050A by eminent Domain for the Open Space Program and to adopt findings pursuant to City Planning Code Section 101.1. (Real Estate Dept.)
ACTION: AMENDMENT OF THE WHOLE BEARING SAME TITLE PRESENTED IN COMMITTEE. ADOPTED. TO BOARD "WITHOUT RECOMMENDATION". (To appear on Board calendar as companion to File 168-89-3.1 on November 13, 1989.)
15. File 101-89-26. [Government Funding] Ordinance appropriating \$40,700, Fire Department, for professional services (Lieutenant Exams). (Controller) RO #9060
ACTION: AMENDED. RECOMMENDED AS AMENDED. On line 14 replace "Fire Fighter - Lieutenant Exams" with "Professional Services."
16. File 25-89-24. [Contract - Security Guard] Resolution concurring with the Controller's approval that security guard services can be practically performed at 450 McAllister Street by private contractor for lower cost than similar work services performed by City and County San Francisco employees. (Dept. Public Works)
ACTION: RECOMMENDED.
17. File 31-89-13. [Employee Replacement] Resolution approving immediate filling of vacated position of 8306 Senior Deputy Sheriff, Sheriff's Department. (Sheriff)
ACTION: RECOMMENDED.
18. File 31-89-12. [Employee Replacement] Resolution approving immediate filling of vacated position of 9364 Engineering Associate I. (Port Commission)
ACTION: CONTINUED TO THE CALL OF THE CHAIR.
19. File 101-89-27. [Government Funding] Ordinance appropriating \$2,750,000, Municipal Railway, for capital Improvement Projects (Northern Waterfront) for fiscal year 1989-90. (Controller) RO #9075
ACTION: AMENDED. RECOMMENDED AS AMENDED. Place \$250,000 of the \$500,000 Waterfront Service on reserve.
20. File 101-89-28. [Government Funding] Ordinance appropriating \$316,000, Assessor's Office, for data processing fiscal year 1989-90.
ACTION: CONTINUED TO THE CALL OF THE CHAIR.

CLOSED SESSION

21. File 46-89-12. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation of estate of Guenter Kaussen against the City and County of San Francisco for \$350,000. (City Attorney)
ACTION: RECOMMENDED.
22. File 46-89-13. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation entitled "City of Millbrae v. City and County of San Francisco, et al.," San Mateo Superior Court No. 285-273, In accordance with the terms and conditions of a stipulation and order and approving same, as well as authorizing execution of the stipulation and order by the City Attorney. (City Attorney)
ACTION: RECOMMENDED.

23. File 45-89-36. [Settlement of Litigation] Ordinance authorizing settlement of litigation of Payne-Whitney Company, Inc. Bay Cities Paving against the City and County of San Francisco by payment of \$10,000. (City Attorney) RO #9066

ACTION: RECOMMENDED.

24. File 48-89-8. [Settlement of Claim] Resolution approving the settlement of the unlitigated claim of State Farm Insurance (Harold Rabiner) against the City and County of San Francisco by payment of \$6,137.50. (City Attorney) RO #9065

ACTION: RECOMMENDED.

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7
1/20/89

CITY AND COUNTY



OF SAN FRANCISCO

ATTN: Jerry
Roth

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

September 18, 1989

TO: Finance Committee

FROM: Budget Analyst

SUBJECT: September 20, 1989 Finance Committee Meeting

DOCUMENTS DEPT.

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Item 1 - File 65-89-5

Note: This item was continued at the September 6, 1989 Finance Committee meeting.

Department: Recreation and Park

Item: Proposed ordinance approving amendment of the Candlestick Park lease between the San Francisco Giants and the City.

Description:

1. The present lease between the San Francisco Giants and the City was executed on March 15, 1958 for a period of 35 years and is to terminate at the end of the 1993 baseball season. The proposed amendment to the Candlestick Park lease would allow the San Francisco Giants, by written notice, to convert the remainder of the term of the lease into a series of one year options if (1) a new proposed downtown ballpark is ready for occupancy prior to the 1995 baseball season or (2) specific project milestones for the proposed downtown ballpark project are not met. Converting the remainder of the term of the existing Candlestick Park lease with the Giants could result in an early termination by the San Francisco Giants of its Candlestick Park lease.

The proposed lease amendment would specifically allow the Giants to notify the City by December 31st that the Giants could terminate the remainder of the terms of the lease, with such termination to be effective as of December 31st of the year in which the termination notice is given.

2. The specific downtown ballpark project milestones which, if not met, would allow the San Francisco Giants to convert to the one year options are as follows:

- a. The passage of the ballot measure approving the downtown ballpark project and, to the extent voter approval is legally required in the November, 1989 election, providing the funding for transportation and traffic improvements including building of the Embarcadero Parkway, constructing a MUNI Metro Turnback and MUNI Extension with a station at the ballpark and building the MUNI F-Line.
- b. The aggregate deposits received by Spectacor Management Group, the developer of the proposed downtown ballpark, for the sales of luxury suites and VIP loge seats together amount to \$8,250,000 by September 30, 1990.
- c. Delivery to the Giants by the City by November 1, 1990 of the staffing plans to provide adequate traffic and pedestrian control in the vicinity of and at the ballpark before, during and after each baseball game.
- d. City approval of the final Environmental Impact Report for the ballpark by December 15, 1990.
- e. Issuance/sale of \$50.0 million in tax exempt bonds for financing the ballpark by December 31, 1990.
- f. Enactment of all ordinances and other approvals to provide a parking garage with 1,500 parking spaces by June 30, 1991.
- g. Commencement of construction of the traffic and transit improvements by June 30, 1991.
- h. Acquisition, assembly and assurance of developability of the land for the ballpark by January 31, 1992.

- i. Receipt of all necessary federal, state and local governmental and quasi-governmental approvals for the commencement of construction of the ballpark by December 31, 1992.
- j. Execution of the ground lease for the ballpark by the City or its designee and Spectacor by January 31, 1993.
- k. Delivery of a clean site to Spectacor in a condition such that Spectacor may immediately begin construction of the ballpark by January 31, 1993.
- l. Commencement of construction of the ballpark by January 31, 1993.
- m. Delivery to Spectacor of adequate infrastructure to the property lines of the ballpark site to Spectacor's satisfaction by June 30, 1993.
- n. Commencement of construction of the parking structure by the City or its designee by September 30, 1993.
- o. Completion of construction of the project (ballpark, parking and all traffic and transit improvements) by January 31, 1995.

3. Mr. Ernie Prindle, of the Recreation and Park Department, has prepared estimates of the net annual financial impact on the Candlestick Park Fund if the San Francisco Giants were to terminate the lease prior to its expiration as follows:

Estimated Loss of Direct Revenue	\$2,696,632 *
Less: Estimated Reductions in Cost	(1,152,587) **
Anticipated Additional Revenues	<u>(\$870,000) ***</u>
Net Potential Annual Loss to Candlestick Park Fund	\$674,045

* Based on actual 1988 baseball season revenues

** It should be noted that the estimated reductions in cost might require layoffs of City employees.

*** The anticipated additional revenues assume that 37 additional annual events would be scheduled at Candlestick Park.

BOARD OF SUPERVISORS
BUDGET ANALYST

Comments:

1. In discussions with Mr. Corey Busch, Mr. Busch pointed out that should the Giants exercise their right under this proposed lease amendment to terminate their tenancy at Candlestick Park early, the City would then have the opportunity to accelerate the renovation program currently underway to improve Candlestick Park for the 49ers. Acceleration of that program, according to Mr. Busch, would have beneficial economic impact on the City, such as the construction of additional seats. Mr. Busch points out that this would result in increased revenues to the City. The Budget Analyst concurs with this observation of Mr. Busch.
2. The Mayor on behalf of the City executed Memorandum of Understandings (MOUs) with the San Francisco Giants and Spectacor on July 27, 1989. These MOUs are agreements related to the development and construction of the downtown ballpark and obligate the City to provide full site acquisition and preparation, construction of a 1,500 space garage, infrastructure improvements, traffic and transit improvements, all of which are mentioned above as milestones integral to the proposed lease amendment. The complete details and cost estimates of these obligations are not yet available for review by the Budget Analyst, but will be reviewed and reported on by the Budget Analyst as they become available. The Budget Analyst anticipates completion of a report on the proposed downtown ballpark on or about September 30, 1989 if the information requested from the Mayor's Office is forwarded to the Budget Analyst on a timely basis.
3. The MOU executed by the Mayor with the San Francisco Giants on July 27, 1989 states that if this proposed amendment to the Candlestick Park lease is not approved by October 3, 1989, the Giants may, by submitting written notice, terminate the MOU and be released from all obligations contained therein.
4. In an August 18, 1989 letter to the Budget Analyst from Ms. Carol Wilkins, Deputy Mayor, Finance (see attachment), Ms. Wilkins stated, regarding this proposed amendment to the Candlestick Park lease with the Giants, "I think it is important to view this guarantee, and the potential consequences if the City fails to take those steps necessary to construct the new ballpark, in the context of the overall agreement we have reached with both the Giants and Spectacor."

5. As reported above by the Recreation and Park Department, \$870,000 of additional revenues are anticipated to be generated from 37 outside annual events. If these events are held, and if the estimated reduction in costs of \$1,152,587 can be achieved, there would still remain an annual net estimated loss of \$674,045 to the Candlestick Park Fund, based on actual 1988 baseball season revenues. However, it should be noted that given the higher attendance this season, the 1989 baseball season revenues are anticipated to be greater than those reported for 1988. As a result, the corresponding loss of revenue to the City if the Giants were to leave Candlestick Park would also be greater based on 1989 baseball season revenues. Similarly, if fewer than 37 annual events are scheduled, and the total estimated cost reductions are not achieved, the potential annual loss to the City of \$674,045 would increase. Assuming the Recreation and Park Department's projected annual net loss of \$674,045, and given that there are four years remaining in the Giants' lease with the City, if the Giants decide to terminate the lease in 1989, such termination would result in a net loss of approximately \$2.7 million over a four-year period.

Recommendations:

1. The Budget Analyst notes that the City has no responsibility nor control of the sale or receipt of deposits on luxury suites and VIP loge seats nor the award of the construction contract for the ballpark (project milestones 2. b. and 2. l. above) relating to the receipt of \$8,250,000 in deposits by September 30, 1990 from the sale of luxury suites and VIP loge seats and commencement of the construction of the ballpark by January 31, 1993. Normally, the Budget Analyst would not recommend the inclusion of these two milestones in the proposed lease agreement. However, according to Mr. Busch, these milestones were incorporated based on a 'give and take' negotiating process, and their inclusion in the proposed lease agreement must be balanced with other considerations. Consequently, the Budget Analyst believes that this is a policy matter for the Board of Supervisors.
2. As noted above, the proposed amendment would permit the San Francisco Giants to have an early termination of its Candlestick Park lease. The Board of Supervisors has directed the Budget Analyst to report on the proposed downtown ballpark. We anticipate completing our report on or about September 30, 1989 if the information requested from the Mayor's Office is provided to the Budget Analyst on a timely basis. In view of the fact that our report on the proposed downtown ballpark is not yet complete, and in view of the fact that all of the details of the proposed downtown ballpark have not yet been finalized according to the Mayor's Office, and in view of the fact that the proposed amendment to permit the Giants to have an early termination of its Candlestick Park lease has a direct relationship on the

Memo to Finance Committee
September 20, 1989

proposed downtown ballpark, the Budget Analyst is unable to make a recommendation of this proposed amendment to permit the Giants early termination of its Candlestick Park lease at this time.

BOARD OF SUPERVISORS
BUDGET ANALYST

Office of the Mayor
SAN FRANCISCO



ART AGNOS

August 18, 1989

Mr. Harvey Rose
Budget Analyst
1390 Market #1025
San Francisco, California 94102

Dear Harvey:

As you review the proposed amendment to the Giants' Candlestick Park lease, I would like you to consider some of the factors which convinced the Mayor to agree to support this lease amendment.

First, and most significantly, the Giants have made a commitment to stay in San Francisco well into the next century, assuming that the City of San Francisco will participate in the construction of a new ballpark. In making this commitment to San Francisco, the Giants have given up the opportunity to pursue more lucrative offers from other cities.

This lease amendment is, in effect, a statement of commitment by the City to take all of the steps needed to ensure that the proposed ballpark -- which has enticed the Giants to remain here in San Francisco -- becomes a reality.

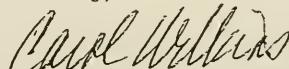
In our negotiations with the Giants it became clear that the good intentions and enthusiasm of the Mayor and other ballpark supporters did not provide sufficient assurances to convince the Giants to forego other opportunities. The Mayor and the City have to be willing to provide a meaningful guarantee, first to obtain voter support for the ballpark in the November election and then to fulfill the City's responsibilities to allow construction of the ballpark by 1995.

I think it is important to view this guarantee, and the potential consequences if the City fails to take those steps necessary to construct the new ballpark, in the context of the overall agreement we have reached with both the Giants and Spectacor. Professional sports teams are in an enviable position when they negotiate with cities around the country. When you have an opportunity to review the terms of our agreement in comparison with the agreements other cities have made to keep or attract sports teams, I think you will find that we have a very good deal. If we maintain our end of this deal, the only effect of this lease amendment will be to allow the Giants to move into the new ballpark as soon as it is ready for occupancy. On the other hand, if for any reason we fail, the Mayor has indicated his willingness to work with other Bay Area communities in a regional effort to keep the Giants close to home.

A second justification for the proposed Candlestick lease amendment is that it may allow the City to gain a more speedy resolution of any legal disputes that arise during the ballpark development process. If it is clear that the City will suffer some consequence if a lawsuit delays our progress unnecessarily, we will be better able to resolve legal disputes promptly.

I hope this information is helpful as you review the proposed lease amendment. If you have any questions, please don't hesitate to call me.

Sincerely,



Carol Wilkins
Deputy Mayor,
Finance

CW/fms

Item 2 - File 121-89-6

Note: This item was continued at the August 16, 1989 Finance Committee meeting.

1. The proposed ordinance would amend Sections 2.26 and 2.27 of the Police Code, increasing certain permit and filing fees and deleting filing and license fees for motor vehicles for hire. However, fees for Motor Vehicles for Hire shall not be finally deleted from the fee schedules included in these sections of the Police Code until a separate ordinance adopting new fee schedules for permit fees for Motor Vehicles for Hire is approved by the Board of Supervisors and signed by the Mayor (See Item 3, File 121-89-7).

2. The proposed permit and filing fee increases contained in this ordinance, which range from less than a one percent increase to a 696 percent increase, are shown in the attachment to this report. These proposed fees are the initial one-time application fees. The annual license fees, which are also included in the attachment, are not proposed to increase. As a result, the proposed increase in fees would, in most cases, not affect existing permit holders. The proposed permit and filing fee increases will go into effect 30 days after signing by the Mayor, should this ordinance be approved.

3. The fees for these permits are set to recover all costs incurred by the Police Department and Tax Collector for the issuance of permits and collection of fees for regulated activities defined under Police Code Section 2.26 and 2.27. Since costs have increased for inspections and adjudicating disputes, the proposed amendment would allow for increased fees based on increased costs incurred by the Police Department and Tax Collector. Officer Barbara Campagnoli of the Permit Division of the Police Department reports the proposed increased fees more accurately reflect the expenses incurred by the San Francisco Police Department and other City departments in issuing, regulating and inspecting Police Permits for compliance with code regulations.

Comments

1. The Police Department reports that, for fiscal year 1988-89, the total fee revenue generated from these permits and licenses was \$302,483*. If the proposed fee increases were adopted as of July 1, 1989, the Department had estimated an annual 1989-90 revenue increase of approximately \$60,000. Given that the proposed fee increases could not be adopted until at least November 1, 1989, the projected revenue increase for fiscal year 1989-90 would be reduced to approximately \$40,000. However, the revenue amount will vary according to the number and types of permits issued each year, and according to the Department, it would be difficult to give a more precise estimate of the total increased fee revenue for 1989-90. The 1989-90 budget, adopted by the Board of Supervisors, does not reflect this proposed increase in permit fees.

* Includes motor vehicles for hire (\$72,726).

2. In transmitting the departmental report of fees for 1989-90, the Controller's Office reported that they concurred with the recommended fee increases, based on the unit cost information prepared by the Police Department. Sergeant Tacchini of the Police Department's Permit Section reports that no new staff positions will be created with the proposed fee increases. According to Sergeant Tacchini, time and motion studies for each type of permit were conducted to determine the actual costs to the Department to investigate and issue each type of permit. This analysis was the basis for determining each fee.

3. As mentioned above, existing filing fees and the license fee for Motor Vehicles for Hire would be deleted under this proposed ordinance effective on the date of approval of a separate ordinance adopting new fee schedules for Motor Vehicles. The ordinance proposing revisions to the Motor Vehicle for Hire fees is contained in Item 3, File 121-89-7. Motor Vehicle for Hire fees will remain at present levels until a new, separate ordinance is approved for such fees.

Recommendation

Based on the Department's policy to recover increased costs, approve the proposed ordinance.

SCHEDULE OF PERMITS AND FEES

<u>Type of Permit</u>	<u>Filing Fee</u>			Percent Increase
	<u>Current</u>	<u>Proposed</u>	<u>Increase</u>	
Permit Amendment/Additional Partner	\$ 48	\$104	\$ 56	117 %
Advertising Vehicle	157	335	178	113
Amusement Park	292	521	229	78
Antique Shop	261	523	262	100
Auto Wrecker	171	422	251	147
Ball or Ring Throwing Games	226	413	187	83
Balloon and Kite Advertising	191	218	27	14
Billiard Parlor	211	395	184	87
Bingo games	50	50	0	0
Amendment to permit	13	50	37	285
Cabaret	503	832	329	65
Circus	274	344	70	26
Closing-Out Sale	137	262	125	91
Dance Hall Keeper	522	832	310	59
One night dance	18	39	21	117
Dealer in Fire Arms and/or Ammunition	310	657	347	120
Renewal	-	228	228	N/A
Discharge of Cannon	100	279	179	179
Distributor of Advertising				
Class A	198	331	133	67
Class B	137	291	154	112
Driverless Auto Rental	216	443	227	105
Encounter Studio				
Owner	285	1,024	739	259
Employee	70	198	128	183
Escort service				
Owner	174	768	594	341
Employee	74	198	124	168
Funeral Procession Escort	112	274	162	145
Insignia and uniform	18	18	0	0
General Soliciting Agent	108	201	93	86
Itinerant Show	278	472	194	70

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Type of Permit</u>	<u>Filing Fee</u>			<u>Percent Increase</u>
	<u>Current</u>	<u>Proposed</u>	<u>Increase</u>	
Junk Dealer	\$378	\$517	\$139	37 %
Junk Gatherer				
Resident	350	582	232	66
Non-resident	154	292	138	90
Licensed Tour Guide	157	193	36	23
Loudspeaker				
Commercial	285	331	46	16
Non-commercial	19	42	23	121
Vehicle	102	340	238	233
Masquerade Ball	391	569	178	46
Massage Establishment	467	1,024	557	119
Masseur/Masseuse	70	198	128	183
Trainee	70	198	128	183
Mechanical Amusement Devices	356	368	12	3
Mechanical Contrivance	228	381	153	67
Miniature Golf Course	316	381	65	21
Mobile Caterer	403	786	383	95
Additional stop	46	99	53	115
Assistant	23	102	79	343
Transfer of stop	23	78	55	239
Museum	353	470	117	33
Nude Models in Public Photographic Studio				
Owner	277	768	491	177
Employee	79	198	119	151
Off-Heliport Landing Site	322	406	84	26
Outcall Massage	196	615	419	214

Type of Permit		Filing Fee		Percent Increase
		Current	Proposed	Increase
Pawnbroker		\$383	\$614	\$231
Peddler				60 %
Fish, vegetables, fruit	291	638	347	119
Food for human consumption	291	638	347	119
Non food	158	323	165	104
Employee	36	123	87	242
Pedicab Driver	24	81	57	238
Pedicab Owner				
First pedicab	104	324	220	212
Each additional pedicab	26	207	181	696
Photographer, Public Place				
Owner	220	290	70	32
Solicitor	79	123	44	56
Photographic Solicitor				
Owner	180	290	110	61
Employee	95	123	28	29
Place of Entertainment	451	832	381	84
Poker	486	842	356	73
Amendment to permit	50	134	84	168
Public Bathhouse	491	799	308	63
Public Outcry Sales	346	471	125	36
Pushcart Peddler	283	661	378	134
Recreational Equipment Vendor	158	349	191	121
Rodeo Exhibition/Wild West Show	383	385	2	0.5
Second Hand Dealer Auto Accessories	261	523	262	100
Shooting Galley	251	523	272	108
Skating Rink	382	406	24	6
Street Photographer				
Owner	180	250	70	39
Solicitor	95	187	92	97
Tow Car Driver	70	125	55	79
Trade-In Dealer	261	523	262	100
Valet Parking				
Fixed location	105	355	250	238
Annual special event	42	355	313	745
Vehicle for Hire, Non-motorized	96	324	228	238

<u>Type of Permit</u>	<u>License Fee*</u>
Advertising Vehicle	\$115
Amusement Park	167
Antique Shop	28
Auto Wrecker	219
Ball or Rink Throwing Games	73
Balloon and Kite Advertising	39
	per quarter
Billiard Parlor	67
1st table	6
Each additional table	50
Bingo Game	180
Cabaret	148
Circus	per day
Dance Hall Keeper	188
Dealer in Firearms and/or Ammunition	259
Discharge of Cannon	22
	per day
Distributor of Advertising	
Class A	60
Class B	16
Driverless Auto Rental	145
Encounter Studio	
Owner	229
Employee	25
Escort Service	
Owner	232
Employee	40
Funeral Procession Escort	52
General Soliciting Agent	39
Itinerant Show, each concession	20
	per day

* Annual rate unless otherwise indicated.

<u>Type of Permit</u>	<u>License Fee*</u>
Junk Dealer	\$244
Junk Gatherer	
Resident	75
Non-resident	46
Licensed Tour Guide	69
Loudspeaker, Commercial	72
Masked Ball	105
	per day
Massage Establishment	249
Masseur/Masseuse	40
Trainee	10
	per 90-day permit
Mechanical Amusement Devices	
1st Machine	111
Each additional machine	17
Mechanical Contrivance	
1st machine	102
Each additional machine	16
Miniature Golf Course	74
Mobile Caterer	389
Assistant	22
Museum	92
Nude Models in Public Photography Studio	
Owner	219
Employee	39
Off-Heliport Landing Site	17
	per day
Outcall Massage	211
Pawnbroker	241
Peddler	
Fish, Vegetables, Fruit	385
Food for Human Consumption	385
Non Food	89
Employee	36

<u>Type of Permit</u>	<u>License Fee*</u>
Pedicab Driver	\$ 12
Pedicab Owner	
First pedicab	174
Each additional pedicab	98
Photographer, Public Place	
Owner	92
Solicitor	35
Photographic Solicitor	
Owner	75
Employee	36
Place of Entertainment	196
Poker	141
Public Bathhouse	196
Public Outcry Sales	132
Pushcart Peddler	387
Recreational Equipment Vendor	141
Rodeo Exhibition/Wild West Show	67
	per day
Second Hand Dealer	28
Second Hand Dealer, Auto Accessories	28
Shooting Gallery	73
Skating Rink	161
Street Photographer	
Owner	75
Solicitor	36
Tow Car Driver	15
Trade-In Dealer	276
Valet Parking	
Fixed Location	149
Annual Special Event	78
Vehicle for Hire, Non-motorized	74

Item 3 - File 121-89-7

Note: This item was continued at the August 16, 1989 Finance Committee meeting.

1. The proposed ordinance would add Sections 2.26.1 and 2.27.1 to the Municipal Police Code, which would establish separate filing and license fee schedules for Motor Vehicles for Hire and would propose fee increases ranging from 40 percent to 858 percent, as shown in the sections below. Motor Vehicles for Hire include taxicabs, limousines, jitneys, motorized rickshaws, etc.

2. The proposed Part II, Chapter VIII, Section 2.26.1 of the San Francisco Municipal Code (Police Code) would apply to specific permit and filing fees that are required of individual drivers and owners of public vehicles when submitting applications related to Motor Vehicles for Hire. These fees are paid directly to the Police Department and are generally one-time fees. The current and proposed new permit and filing fees and the percent increase in these fees, under Section 2.26.1 are as follows:

	<u>Current Fees</u>	<u>Proposed Fees</u>	<u>% Increase</u>
Color Scheme Change	52	\$300	477
Color Scheme Inspection	0	250	New Fee
Driver Address Change	0	15	New Fee
Driver Employer Change	0	50	New Fee
Interurban Bus	96	500	421
Jitney Bus Driver	86	120	40
Jitney Bus Owner	144	500	247
Limousine	96	500	421
Motorized Rickshaw	96	500	421
Motor Vehicle Annual Sworn Statement	0	45	New Fee
Motor Vehicle Insurance Change	0	500	New Fee
Motor Vehicle Permit Amendment	50	100	100
Public Passenger Vehicle Driver	31	120	287
Public Motor Vehicle Reinspection	0	75	New Fee
Radio Dispatch Reinspection	0	250	New Fee
Radio Dispatch Service Change	0	300	New Fee
Sightseeing Bus	96	500	421
Taxicab	96	500	421
Taxicab Color Scheme	0	1000	New Fee
Taxicab Radio Dispatch Service	0	1500	New Fee

Significant increases in Motor Vehicle for Hire permit and filing fees are being proposed, ranging from 40 to 477 percent. In many cases, no estimate of a percent increase can be calculated because the proposed ordinance would establish new fee categories.

3. The proposed Part II, Chapter VIII, Section 2.27.1 of the San Francisco Municipal Code (Police Code) would apply to specific license fees that are required for Motor Vehicles for Hire based on the type of permits issued by the Police Department. These fees are paid directly to the Tax Collector and are generally collected annually. The proposed current and new license fees and the percent increase in these fees, under Section 2.27.1 are as follows:

	<u>Current Fees</u>	<u>Proposed Fees</u>	<u>% Increase</u>
Interurban Bus Owner	96	920	858
Jitney Bus Driver	15	75	400
Jitney Bus Owner	95	920	868
Jitney Bus Plate	7	20	186
Limousine Owner	96	920	858
Motorized Rickshaw Owner	96	920	858
Public Passenger Vehicle			
Driver	16	75	369
Sightseeing Bus Owner	96	920	858
Taxicab Color Scheme	0	250*	New Fee
Taxicab Radio Dispatch			
Service	0	300**	New Fee
Taxicab Owner	96	920	858

* Plus \$35 per taxicab.

**Plus \$25 per taxicab.

Significant increases in Motor Vehicle for Hire license fees are also being proposed, ranging from 186 to 868 percent. In two cases, estimates of a percent increase cannot be calculated because the proposed ordinance would establish new fee categories.

4. The Board of Supervisors previously approved an ordinance amending Article 16 of the Police Code (Ordinance 562-88) which established a separate Motor Vehicle for Hire Enforcement Fund (Section 1087) and which mandated that permit and license fees collected from the Motor Vehicle for Hire industry be used to fund the enforcement of the provisions of the Article. According to the ordinance, the actual fees are to be set by the Board of Supervisors on an annual basis in an amount that is sufficient to cover the Police Department's estimated actual expenses. The proposed ordinance, that is the subject of this item, is the Police Department's recommendations for 1989-90 increases to Motor Vehicle for Hire permit, filing and license fees.

5. The special Motor Vehicle for Hire Enforcement Fund became effective as of March 1, 1989. This fund is administered by the City Treasurer and Controller and all funds must be appropriated according to the fiscal and budgetary provisions of the City Charter. It should also be noted that Section 1085 of Article 16 states that after January 1, 1990, the permit and license fees for Motor Vehicles for Hire may not be increased more than ten percent per year.

Comments

1. The Police Department reports that the total revenues collected by the Police Department and the Tax Collector during fiscal year 1988-89 from the current Motor Vehicle for Hire permit, filing and license fees was \$306,202. The projected revenues to be collected from the proposed Motor Vehicle for Hire permit, filing and license fees would be \$1,512,075 in fiscal year 1989-90. Therefore, the proposed fees would result in an annual fee increase of \$1,205,873, or a 394 percent increase in annual revenues.

2. According to the Police Department, they need to generate approximately \$1.5 million in annual revenue, based on projected total annual expenses of \$1,512,298 in fiscal year 1989-90. However, this estimate includes the provision of five existing sworn officers as well as the addition of 11 new civilian employees within the Police Department's Taxi Unit. In addition, these costs include portions of 21 other employees within the Police Department that would provide permit, taxi management, legal and administrative support functions. According to Mr. Bob English of the Police Department, this projected expanded Taxi Unit at an estimated annual cost of \$1,512,298 is in contrast to the fiscal year 1988-89 costs of the Police Department's Taxi Unit of approximately \$600,000, a projected increase of over \$900,000.

3. In response to requests by the Finance Committee at the July 19, 1989 meeting, Captain Winters of the Police Department's Support Services Division reports that the Police Department met with taxicab owners and drivers in order to try to negotiate an alternative method of raising sufficient revenues to support the Police Department's activities without adversely affecting the taxicab industry in San Francisco. Various alternatives, such as a \$0.10 increase in the taxicab's meter drop and/or a ten percent across-the-board fee increase were discussed, although no consensus was reached. According to Captain Winters, these negotiations have now been suspended because the Mayor's Office will now be more fully studying the fee issue.

4. According to Mr. Larry Florin, Assistant to the Mayor, a special committee has been created to study the taxicab industry in San Francisco. This committee is comprised of taxicab owners and drivers, including representatives from the Teamsters Union, other unions and non-union representatives, as well as representatives from the Police Department and Mr. Jerry Lee, the Mayor's staff representative. This committee will be responsible for dealing with two major taxicab issues over the next several months. The two issues include: (1) the number of permits and the allocation of permits, including the development of a

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BUDGET ANALYST

model to correlate the need for taxicab services to the number of permits issued in the City and (2) the fees charged for taxicab licenses and permits. According to the Mayor's Office, the results of the Mayor's committee on the fee issue are intended to relate directly to the proposed ordinance, that is the subject of this item. However, the Mayor's Office also reports that it is not likely that the currently proposed fee schedule ranging from 40 to 868 percent would be imposed.

5. Captain Winters reports that any new recommended fee schedule will have to be brought back before the Police Commission. After the Police Commission approves any new permit, filing and license fee proposal, a new ordinance would be drafted to be brought back before the Finance Committee. As a result, the proposed ordinance that is currently before the Finance Committee, which includes fee increases of up to 868 percent will most likely no longer be applicable.

Recommendation

Continue the proposed ordinance to establish separate permit, filing and license fees for Motor Vehicles for Hire until the Mayor's special committee completes its study of the taxicab industry in San Francisco, specifically in the area regarding fees.

Item 4 - File 118-89-3

Note: This item was continued at the September 6, 1989 Finance Committee meeting.

1. The proposed ordinance would delete certain provisions of Health Code Section 124.4 relating to the release of liens imposed prior to July 13, 1966 for the cost of medical services.

2. As currently worded, Health Code Section 124.4 requires that the Board of Supervisors act on each lien release covered by the section. Ms. Sharon Kennison, Assistant Administrator for Patient Finance at San Francisco General Hospital, states that the proposed ordinance is designed to eliminate the involvement of the Board of Supervisors in this process, allowing these liens to be handled by the Bureau of Delinquent Revenue (BDR) in the Tax Collector's Office.

3. Mr. Robert Fletcher, Attorney for the Tax Collector, states that his office is responsible for all aspects of collection of liens arising after July 13, 1966, under authority of the Administrative Code designating the Tax Collector as collection agent for these matters. Mr. Fletcher's interpretation of the proposed amendment is that authority to deal with all liens for medical services, regardless of when they were rendered, would rest with his office. Mr. Fletcher believes this proposed ordinance, if enacted, would relieve some administrative burden from the Tax Collector's Office by eliminating the need to request from the Board of Supervisors release of pre-1966 liens .

Comment

Approval of the proposed ordinance would remove the authority of the Board of Supervisors to approve individual lien releases imposed prior to 1966.

Recommendation

Relinquishing authority vested in the Board of Supervisors is a policy decision for the Board.

Memo to Finance Committee
September 20, 1989

Item 5 - File 28-89-10

Note: This item was continued at the September 6, 1989, Finance Committee meeting in order to determine when the South Africa Divestment Ordinance Affidavit would be signed. Mr. Ray Lew reports that the required affidavit has now been signed.

Department: San Francisco International Airport

Item: Emergency resolution. Section 6.30 of the Administrative Code states that approval by the Board of Supervisors is necessary for emergency expenditures in excess of \$25,000.

Amount: \$65,000

Source of Funds: Airport's Facilities Maintenance Fund

Description: The Airports Commission has determined that an emergency has occurred involving City-owned facilities at San Francisco International Airport. An eight inch industrial waste pipeline linking the southern half of the Airport Industrial Waste System with the treatment plant under Taxiway "A" has failed and needs to be repaired immediately. The repair emergency was declared by the Airports Commission on March 9, 1989.

Contract Procedure: The Airport reports that because of the urgent nature of the broken industrial waste pipeline under Taxiway "A", and the inability of airport maintenance staff to accomplish the needed repairs, an expedited contracting procedure was used in accordance with Section 6.30 of the Administrative Code. M.G.M. Construction of San Francisco was awarded the contract on a sole source basis because this contractor was able to begin repairs earlier than any other known contractor.

Contract Award: March 13, 1989

Completion of Work: April 26, 1989

Comments: 1. M.G.M. Construction is neither a Minority Business Enterprise (MBE) nor a Women Business Enterprise (WBE). Mr. Ray Lew of the Airports Commission advises that M.G.M. Construction has signed the affidavit of compliance with the South Africa Divestment Ordinance.

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2. The Airport reports that submission of this emergency resolution was delayed because priorities for submission became confused when another emergency situation occurred soon after this emergency occurred.
3. The cost of the emergency repairs was originally estimated to be \$65,000. The actual cost of the contractor to complete the repairs was \$52,777. The resolution has been amended by the Finance Committee to reflect this actual cost amount of \$52,777.

Recommendation: Approve the proposed resolution as previously amended by the Finance Committee.

Memo to Finance Committee
September 20, 1989

Item 6 - File 106-89-4

Note: This item was continued at the September 6, 1989 Finance Committee meeting.

1. This is a hearing to consider the submission of a plan from the Civil Service Commission regarding examination and classification functions.

2. At the July 12, 1989 Finance Committee meeting, the Finance Committee requested that the Civil Service Commission work with the Mayor's Office, the Controller and the CAO develop a plan for examination and classification functions.

3. Mr. Claude Everhardt of the Mayor's Office reports that a Civil Service Commission examination and classification plan are beginning to be developed, in conjunction with the Mayor's Office. According to Mr. Everhardt, a survey of all City department heads will be conducted and several alternative plans developed based on the results of the survey. Priorities and timetables for addressing different employee classifications could then be developed and presented to the Finance Committee.

Item 7 - File 250-89-1

Note: This item was continued at the August 30, 1989 Finance Committee meeting.

1. This item is a hearing to consider the City Workers' Compensation system.

2. According to a report prepared by Mr. Keith Grand, the City's Risk Manager, San Francisco's Workers Compensation system incurs annual direct costs of approximately \$20 million and receives approximately 6,000 new claims per year, which result in approximately 180,000 lost days of work for the City.

3. Additional information has been prepared by the Chief Administrative Officer (CAO) and the City's Risk Manager to identify and describe the disincentives that have been built into the City's Workers' Compensation system, which have resulted in a more costly system than may be necessary. As identified, some of these disincentives are the result of State legislation, while other disincentives result from local legislation and procedures. Included in the report from the City's Risk Manager are the steps that have recently been instituted to improve the City Workers Compensation system. The report also includes recommendations regarding the steps that still need to be taken. These additional recommendations address concerns in City departments, City procedures, local legislative actions and State legislative actions.

4. The reports and information provided by the CAO and the City's Risk Manager on the City Workers Compensation system are contained in the Board of Supervisors' file.

Comments

1. The City's 1989-90 budget includes a total budget in all departments for Workers' Compensation of \$17,531,849. Of MUNI's 1989-90 Workers' Compensation budget of \$4.5 million (the highest amount budgeted by a single department), the Finance Committee recommended and the full Board of Supervisors adopted that a special reserve in the amount of \$700,000 be set aside to cover extraordinary claims. Monies from this reserve would be released only after further evidence of need is demonstrated to the Finance Committee.

2. The actual Workers Compensation costs incurred by nine major departments since 1984-85 is presented as Attachment 1.

3. Each of the nine major departments attended the July 19, 1989 Finance Committee meeting and reported to the Committee regarding their efforts to control their Workers Compensation costs. In response, the Chair of the Finance Committee sent a letter on August 15, 1989 to each of these nine major departments, including the Retirement System Board, requesting additional information related to Workers Compensation concerns. A copy of this letter is included as Attachment 2. As of the writing of this report, the Airport, Fire, Police and Sheriff have responded in writing to the request, and copies of their responses are included in the Board of Supervisors file.

Workers Compensation - Major Departments
Actual Costs 1984-85 through 1988-89 (000)

						Average Annual
	<u>1984-85</u>	<u>1985-86</u>	<u>1986-87</u>	<u>1987-88</u>	<u>1988-89*</u>	<u>1984-89</u>
Municipal Railway	\$2,589.9	\$3,557.4	\$3,996.8	\$3,309.1	\$3,796.9	\$3,450.0
Police Department	2,163.6	2,955.8	3,434.1	2,925.7	3,552.2	3,006.3
Fire Department	1,579.9	1,770.4	2,173.5	2,015.1	2,595.2	2,026.8
Public Health	1,311.8	1,663.4	1,791.3	1,545.9	1,596.6	1,581.8
Recreation/Park	690.8	713.3	734.4	923.3	958.2	804.0
Public Works	677.3	816.0	755.1	745.9	763.5	751.6
Airport	448.8	511.7	498.7	513.1	702.4	534.9
Water	217.7	214.7	225.3	271.0	344.3	254.6
Sheriff	225.2	256.9	280.2	252.4	378.7	278.7

* Annualized projection of 11-month actuals.

August 15, 1989

Dear :

Pursuant to the reccomendations made during the July 19 Finance Committee meeting, please provide me with the following information.

- o Details on your departments' light-duty policy
- o Information regarding your departments' secondary employment and excess overtime policy, and information regarding how they pertain to employee stress and on-the-job injuries
- o Information regarding your departments' employee replacement cost due to workers compensation and
- o Information regarding your departments' policy on light-duty work in other departments.

Sincerely,

Supervisor Nancy G. Walker

NGW/ajc/0304y-07

Items 8 and 9 - Files 101-89-19 and 102-89-7

Department: Human Rights Commission (HRC)

Items: File 101-89-19 - Supplemental Appropriation Ordinance to increase the 1989-90 HRC budgets for salaries and fringe benefits for the addition of two new positions and for various operating expenses needed to develop and operate a data base system to manage and monitor the City's Minority Business Enterprise(MBE)/Women Business Enterprise(WBE) program.

File 102-89-7 - Ordinance to amend the Annual Salary Ordinance to create two new positions for the HRC.

Amount: \$280,000

Source of Funds: Reserve for Human Rights Commission established by the Board of Supervisors as part of the City's 1989-90 Annual Budget process for the MBE/WBE and Domestic Partner Programs.

Description: The Board of Supervisors established a \$280,000 reserve as a part of the 1989-90 City Budget (Annual Appropriation Ordinance). The \$280,000 Reserve for Human Rights Commission was designated for the development of a data system to manage and monitor the City's MBE/WBE program. HRC was requested to submit a Supplemental Appropriation Ordinance request to effect the data system development for the MBE/WBE program.

The proposed data system would enable HRC to collect data from City departments concerning their contracts and procurement practices relative to the MBE/WBE program. As a result, HRC would be better equipped to monitor compliance with the MBE/WBE Ordinance and the data system would provide HRC with the information needed for reports to the Mayor and to the Board of Supervisors.

The proposed data system was developed by a committee of representatives from several City departments including the Controller, the Purchaser, the Department of Public Works, the Public Utilities Commission and the HRC. The proposed data system would require the creation of two new permanent positions, approximately \$37,000 in on-going operating costs and approximately \$160,000 in one-time costs.

The proposed amendment of the Annual Salary Ordinance (File 102-89-7) would create two new positions, which will be classified at a future meeting of the Civil Service Commission, as follows:

<u>Classification</u>	<u>Biweekly Salary</u>	<u>Annual Salary at Top Step</u>
1818 Management Information Systems Specialist II	\$1,394-\$1,690	\$44,109
1721 Senior Data Entry Operator	\$ 842-\$1,018	\$26,570

The proposed Supplemental Appropriation Ordinance (File 101-89-19) would fund the two new positions for 24 biweekly pay periods from July 31, 1989, through June 30, 1990, and would fund other operating costs as follows:

Personnel Costs

Permanent Salaries - Miscellaneous	\$ 64,992
Mandatory Fringe Benefits	<u>17,695</u>
Subtotal - Personnel Costs	<u>\$ 82,687</u>

Operating Costs

Professional and Special Services	\$ 72,313
Training	10,000
Controller - Data Processing	64,000
Purchaser	<u>18,000</u>
Subtotal - Operating Costs	<u>\$164,313</u>

Data Processing Equipment \$ 33,000

Project Total \$280,000

Mr. Chris Baldo of the Controller's Office has been formulating this project and has prepared a revised budget for the expenditure of the \$280,000. This revision is necessary because of the need for more data processing equipment than was originally expected. Mr. Baldo's revised budget and explanations are as follows:

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Personnel Costs

Permanent Salaries - Miscellaneous	\$37,350
One 1818 Management Information Systems Specialist II beginning November 1, 1989 and one 1721 Senior Data entry Operator beginning January 1, 1990.	
Mandatory Fringe Benefits	<u>10,085</u>
Subtotal - Personnel Costs	<u>\$47,435</u>

Operating Costs

Professional and Special Services	\$80,000
Outside consultant to develop the data base system. The consultant selected is a Minority Business Enterprise and will perform 10,000 hours at \$80 per hour.	
Training	10,000
HRC and Controller's staff will be trained to operate the data base system which is based on a specialized software system.	
Controller (Work order)	52,000
\$17,000 will go to the Financial Systems Division for technical management and to develop the interface between the data base system and the FAMIS system. \$35,000 will go to Information Services Division to combine the FAMIS and the Purchaser's system interfaces and to operate a backup system for one year.	
Purchasing (Work order)	18,000
Three Purchasing systems must be interfaced with the data base system.	
Subtotal - Operating Costs	<u>\$160,000</u>

<u>Data Processing Equipment</u>		\$72,565
5 - Personal Computers		\$42,276
1 - Laser Printer		4,695
1 - Graph Plotter		2,195
1 - Tape Backup System		2,500
Connectors and Miscellaneous		3,899
Software		<u>17,000</u>
		\$72,565
<u>Project Total</u>		<u>\$280,000</u>

Comment: Mr. Baldo reports that proposed data processing equipment purchase has not yet been reviewed by the Electronic Information Processing Steering Committee (EIPSC). Therefore the \$72,565 for this equipment should be reserved pending EIPSC approval.

Recommendations: 1. Amend the proposed Supplemental Appropriation Ordinance (File 101-89-19) to reflect the revised project budget detailed in the Description above and to reserve \$72,565 for Data Processing Equipment. Approve the proposed Supplemental Appropriation Ordinance as amended.

2. Approve the proposed Ordinance (File 102-89-7) to amend the Salary Standardization Ordinance.

Item 10 - File 101-89-22

Department: Police Department

Item: Supplemental Appropriation Ordinance

Amount: \$12,000

Source of Funds: Narcotics Forfeiture and Asset Seizure Fund

Purpose: To fund rental of space for temporary storage of confiscated vehicles which the Police Department seizes from drug traffickers.

Description:

1. The Police Department's Narcotics Forfeiture and Asset Seizure Fund was established by the City in order to receive money or proceeds from any tangible property seized by city law enforcement agencies during arrests for the sale of narcotics. The monies obtained are to be used for law enforcement-related purposes only.
2. The proposed \$12,000 appropriation would be used to fund a one year license for storage space from the U.S. Department of the Navy at the Hunters Point Naval Shipyard, Building 128. The Police Department would use the warehouse space to store vehicles it seizes from drug traffickers until title to these vehicles is transferred to the City and County of San Francisco.
3. The proposed \$12,000 appropriation would enable the Police Department to rent 5,000 square feet of storage space, at a cost of \$0.20 per square foot per month, for a total of \$1,000 per month, or \$12,000 for one year. The license for the 5,000 square feet of storage space will extend from July 1, 1989 through June 30, 1990.
4. In June, 1989, the Board of Supervisors approved a resolution authorizing a one year license from the U.S. Department of the Navy for the use of the proposed real property by the Police Department (File 64-89-19). This request is to provide the needed monies to fund that previously approved license.

Comments:

1. In prior years, the Police Department leased 1,500 square feet of warehouse storage space from the Navy at Hunters Point. However, the Police Department reports that the 1,500 square feet of space was no longer adequate to meet the needs of the Police Department and that additional space was required. The 5,000 square foot license increases the previous 1,500 square feet of available storage space by 3,500 square feet.
2. It should be noted that under the previous license with the Navy, the Police Department paid \$0.20 per square foot of space, for a monthly rent of \$300 and a total annual cost of \$3,600. The current license does not increase the rate per square foot. However, the proposed increase in space has resulted in an additional expense of \$700 per month (\$1,000 less \$300), for a total additional annual cost of \$8,400. The Real Estate Department has determined that the rental is a fair market rate.
3. According to the Police Department, the Hunters Point facility is an ideal location for the confiscated vehicles because the seized vehicles are stored in an enclosed and locked warehouse. In addition, there are guards posted at the entrance to the Hunters Point Naval Shipyard, providing additional protection for the seized vehicles. The Police Department reports that the City is liable for any damage to these vehicles. According to the Police Department, there are 35 confiscated vehicles currently stored in the Hunters Point storage facility.
4. As previously noted, the proposed \$12,000 supplemental appropriation would fund the annual license for storage space from July 1, 1989 through June 30, 1990. In response to inquiries by the Budget Analyst, Lieutenant John Robinson of the Police Department reports that the Navy has not been paid for the rental of the storage space since July 1, 1989, a period of approximately three months. However, the Police Department does report that the annual license for the additional space was approved by the Board of Supervisors in June, 1989 and the proposed supplemental appropriation was submitted to the Mayor's Office several months ago. According to Peter Goldstein of the Mayor's Office, the Mayor's Office recommended that the proposed supplemental appropriation be fully funded in late June, 1989, but, that this supplemental appropriation was delayed because of concerns regarding the priorities for use of the Narcotics Forfeiture and Asset Seizure Fund.

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5. By mutual agreement between the City and the Navy, the license for this storage space is subject to renewal on an annual basis. However, any future agreements will also be subject to the Navy's future plans for Hunter's Point.
6. Lieutenant Robinson reports that there is a current fund balance of \$98,849 remaining in the Narcotics Forfeiture and Asset Seizure Fund. If the proposed \$12,000 appropriation is approved, there would be a fund balance of \$86,849.

Recommendation: Approve the proposed Supplemental Appropriation Ordinance.

Item 11 - File 101-89-25

Department: Recreation and Park Department

Item: Ordinance authorizing a supplemental appropriation of \$41,100 for Program Project Budget of the San Francisco County Fair - Flower Show for FY 1989-90.

Amount: \$41,100

Source of Funds: State County Fair Fund, Unallocated Revenue

Description: The proposed ordinance authorizes a supplemental appropriation of \$41,100 to provide additional funds for the 1989 San Francisco County Fair-Flower Show. The funds are to come from surplus funds in the existing State County Fair Fund.

The California Department of Food and Agriculture (DFA) provides funding for county fairs. The San Francisco County Fair-Flower Show is partially funded from this State DFA program. In 1988, the State contributed \$60,000, plus an additional \$15,000 of augmentation funds to the San Francisco County Fair for a total of \$75,000. In 1989, the State's contribution was also \$75,000. A separate State County Fair Fund is maintained for these State funds, Fair receipts, and to hold surplus funds. The proposed supplemental appropriation would come from the \$71,894 surplus currently in this State County Fair Fund.

Comments:

1. Mr. Ernie Prindle, Finance Director of the Recreation and Park Department states that, in past years, the County Fair has been operating as a flower show, and suffered from declining attendance. Mr. Prindle states that with the urging and cooperation of the sponsoring State Department of Food and Agriculture, Division of Fairs and Expositions, the Recreation and Park Department has sought to expand and improve the Fair in order to increase public interest, and attendance. In that regard, the Fair has added the involvement of the Arts Commission, and a designer for the flower show aspect of the Fair. According to Mr. Bob Mansi of the Recreation and Park Department, attendance at the Fair was 7,995 in 1988 (generating \$21,321 in paid admissions) and 10,058 in 1989 (generating \$28,666 in paid admissions).

2. The Recreation and Park Department reports that, at the time of submission and consideration of the Department's fiscal year 1989-90 budget, the requests of the Arts Commission and Flower Show Designer were not available, and not included in its budget. Therefore, the Department has now submitted this supplemental appropriation.

3. The \$41,100 was specifically expended on the following items:

Art Commission Requests

<u>Item</u>	<u>Amount</u>
Equipment (electrical) Rental	\$ 1,000
Temporary Labor (electrical)	1,000
Advertising	2,000
Signs & Banners	200
Special Police	1,500
Trophies & Ribbons	100
Casual Labor	2,850
Technical Director	2,000
Equipment Rental (sound)	<u>3,000</u>
Subtotal	\$13,650

Flower Show Designer Requests

Contract Fee, J. Giuffre for design, set-up, and overall supervision of Flower Show	\$ 6,000
Various Materials and Supplies	<u>21,450</u>
Subtotal	<u>\$27,450</u>
Total	<u>\$41,100</u>

4. Mr. Prindle further states that due to delays in the supplemental appropriation process, the County Fair has already taken place, and the costs, expenses, and activities referred to in this request have been paid using other Department funds which now would be replenished with the proposed allocation of additional State County Fair Fund monies. Therefore, the subject ordinance should be amended to provide for ratification of Department action previously taken.

Recommendations:

1. Amend the proposed ordinance to ratify the action previously taken by the Recreation and Park Department in incurring the \$41,100 cost for the Arts Commission and Flower Designer participation in the San Francisco County Fair and Flower Show.
2. Approve the ordinance as amended.

Item 12 - File 97-89-35

Department: Recreation and Park Department

Item: Amendment to the Administrative Code, Article XV, Section 10.160, authorizing a \$10,000 increase in the Revolving Fund of the Recreation and Park Department.

Description: The proposed ordinance would amend the Administrative Code to increase the size of the Recreation and Park Department's Revolving Fund to \$27,250, a \$10,000 increase from its present authorized amount of \$17,250. This Revolving Fund is authorized by the Administrative Code and provides a fund of cash for the day-to-day transactions of the Department.

Comments: Mr. Ernie Prindle, Finance Director of the Recreation and Park Department states that the Department may make expenditures of up to \$200 for its daily business transactions. The Department therefore maintains a Revolving Fund used to provide cash for these routine transactions. This fund is used to pay for items immediately, with reimbursement later coming from the appropriate operating account. The fund is also used as a change account for the Department's various concessions, such as the Japanese Tea Garden and the Zoo.

At the recommendation of the Controller, and approval by the Mayor and the Board of Supervisors, the Department's 1989-1990 budget contained a \$10,000 increase in the Revolving Fund account to provide sufficient funds for the Department's daily transactions. However, since the Revolving Fund is authorized and limited to the \$17,250 sum set forth in the Administrative Code, amendment of Administrative Code Section 10.160 is required to increase the fund.

Recommendation: Approve the proposed ordinance. As noted above, the monies for the \$10,000 increase in the Revolving Fund have been previously approved by the Board of Supervisors in the 1989-90 budget.

Items 13 and 14 - Files 168-89-3.2 and 168-89-3.1

Department: Real Estate Department

Proposed Actions: 1. The proposed motion (File 168-89-3.2) would declare the intention of the Board of Supervisors to hold a public hearing to consider adoption of a resolution of necessity in connection with the acquisition of Lot 6 in Assessor's Block 2050A by eminent domain for the City's Open Space Program.

2. The proposed resolution (File 168-89-3.1) would authorize the acquisition of Lot 6 in Assessor's Block 2050A by eminent domain for use as open space for an amount not to exceed \$450,000 from the Open Space and Park Renovation Fund.

Location: Assessor's Block 2050A, Lot 6 is located at 1848 - 14th Avenue on the east side of 14th Avenue just north of the Pacheco Street intersection.

Annual Property Taxes Assessed: \$2,223.60 on an assessed valuation of \$204,000.

Description: Lot 6 in Assessor's Block 2050A is undeveloped land on the east slope of Golden Gate Heights, below homes built on the southside of Funston Avenue near Aerial Way. The subject property is approximately two blocks north of Sunset Heights Park and is claimed to be the last undisturbed, natural rock outcropping in the Sunset District. The property is zoned for single family use and is surrounded by large single family homes.

The subject vacant land is 34,625 square feet and has been appraised at \$450,000 by a private independent appraiser retained by the City. The City's appraiser estimates that seven homes could be constructed on this property. The current owner of the property claims that the property is worth \$2.1 million and that as many as 14 homes could be built on the property. The Recreation and Park Department's Open Space Plan calls for leaving the property in its natural state. Ms. Deborah Learner of the Recreation and Park Department states that \$305,000 has been allocated in the Open Space Fund in previous years toward this acquisition, and that any further appropriation will need to come from unallocated Open Space Fund reserves.

Comments:

1. The subject property contains a shearwall cliff which is open to public access. At the Finance Committee's request, the City's Risk Manager has prepared a report evaluating the City's liability with respect to ownership of the property. A copy of that report is attached.
2. Should the Finance Committee wish to approve the acquisition of the property by eminent domain, which is the subject of this legislation, the proposed motion (File 168-89-3.2) should be amended to include an appropriate date for the full Board of Supervisors to hold the required public hearing.
3. Section 1245.235 of the Code of Civil Procedure requires that a public hearing be held by the full Board of Supervisors to hear testimony and to make findings by a two-thirds vote that there is or is not a public interest and necessity for the City to acquire property through eminent domain. If the finding by the full Board of Supervisors at a public hearing is in favor of acquiring the property, the other proposed resolution, (File 168-89-3.1), authorizing acquisition of the parcel through eminent domain, would then be considered by the Board of Supervisors.

Recommendation:

Acquisition of this property for open space purposes is a policy matter for the Board of Supervisors.

(Dear file
Rec'd/Perf)



OFFICE OF

CHIEF ADMINISTRATIVE OFFICER

RUDOLF NOTHENBERG
CHIEF ADMINISTRATIVE OFFICER

289 CITY HALL
SAN FRANCISCO
CALIFORNIA 94102
415/554-4851

July 31, 1989

Through: Rudolf Notthenberg
Chief Administrative Officer

Honorable Nancy Walker, Chair and Members of the Finance Committee
City and County of San Francisco
Room 235, City Hall
San Francisco, CA 94102

RE: FILE 168-89-3
RECREATION AND PARK DEPARTMENT
OPEN SPACE, ASSESSOR'S BLK 2050A, LOT 6
1848-14TH AVENUE

Dear Board Members:

This is in response to your 7-13-89 request for a report on City liability with respect to ownership of this property.

Obviously, City ownership of property creates greater liability for any injury or damage than if the property were not owned by the City. However, mitigating that liability are several State of California statutes and case law.

Without attempting a legal discourse, the following summarizes key provisions of such statutes governing public entity liability for property ownership. The City Attorney's Office concurs with the following conclusions.

Two general categories of liability risk probable from ownership of this property are (1) injury to persons on the property and (2) injury or damage to persons or property adjacent to the subject property.

On-Site Risk

Generally, a public entity is liable for a dangerous condition of public property, except as provided by statute. (Gov't. Code Section 835) One statutory exception to such liability is an absolute immunity for injuries to users of the property caused by natural conditions of unimproved publicly held real property. (Gov't. Code Section 831.2) Because this property is unimproved, there is no liability for injury to a person on the property caused by a natural condition of the unimproved property.

Attachment
Page 2 of 2

Finance Committee
July 31, 1989
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Off-Site Risk

This immunity doesn't apply to "substantial physical injury" to persons, meaning actual physical injury to the body and excluding purely emotional distress. (Gov't. Code Section 831.25) For example, a natural landslide on unimproved public property which damages adjacent private property and causes the private property owners emotional distress does not create liability for the City for property damage or emotional distress. But liability for substantial physical injury to persons off the property is not barred. Also, the City is not immune from liability for damage to property or emotional distress to persons, if the City had actual notice of probable damage likely to occur off-site because of land failure, and did not give reasonable warning.

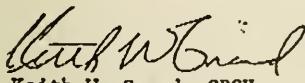
Legislative Intent

Such legislation was enacted to relieve public entities of the burden and expense of putting natural lands in a safe condition and defending against injury lawsuits and also to insure that public agencies would not prohibit access to such property.

Essentially, the path to least liability with respect to ownership of such property would be to do nothing. Should the City voluntarily undertake to provide protection of persons or property, and then negligently perform such protective services, the City could create liability where none previously existed.

Conclusion

While the risks of ownership are greater than non-ownership, statutory immunities for injury on-site and property damage off-site are substantial, as long as they result from natural conditions of unimproved property. However, since these immunities exist by statute, the possibility of future legislative change cannot be overlooked.


Keith W. Grand, CPCU
Risk Manager

RN:KWG:mm

DISTRIBUTION

NANCY WALKER, BOARD OF SUPERVISORS
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JOHN TAYLOR, CLERK OF THE BOARD
ANDREW SCHWARTZ, DEPUTY CITY ATTORNEY
SUPERVISOR TERRENCE HALLINAN

Memo to Finance Committee
September 20, 1989

Item 15 - File 101-89-26

Department: Fire Department
Item: Supplemental Appropriation Ordinance
Amount: \$40,700
Source of Funds: General Reserve
Description: The Federal Court Consent Decree requires that the Fire Department initiate a peer mediation program by September, 1989, to train 88 employees to serve as mediators in employee disputes. Each mediator will receive seven days of training, including training in communication skills, inter-ethnic relations and mediation techniques. A training and procedures manual and a video presentation package will also be developed. The budget for the peer mediation program is as follows:

Training and Procedure Manual Development

Outside consultants - 460 hours @ \$60 per hour	\$27,600
Print 200 copies of manual	3,000
Secretarial assistance	3,200

Training Program Development

Outside Consultants - range of 275 to 550 hours @ \$60 to \$30 per hour	16,600
----------------------------------------------------------------------------	--------

Mediator Training

Outside consultants - 36 days @ \$800 per day and 20 days @ \$500 per day	38,800
------------------------------------------------------------------------------	--------

Video Development

6,500

Other Expenses

Promotional brochure design and printing	2,000
Supplies	<u>2,000</u>

Total - Program

\$99,700

Less other Consent Decree project funds available
for this proposed project

59,000

Balance to be funded by proposed
Supplemental Appropriation Ordinance

\$40,700

Comment: The Fire Department states that individual, professional experts in peer mediation will be contracted for the consulting work on a sole source provider basis. The court appointed Consent Decree Monitor has reviewed and approved the peer mediation project proposal and the prospective consultants. The rates and hours required for each project are based on estimates from the prospective consultants.

Recommendation: Approve the proposed Supplemental Appropriation Ordinance.

Item 16 - File 25-89-24

Department: Department of Public Works, Bureau of Building Inspection (BBI)

Item: Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

Services to be Performed: Security guard services at 450 McAllister Street

Description: The Controller has determined that contracting for these security guard services for the year beginning August 1, 1989, would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City Operated Service Costs</u>		
Salaries	\$11,826	\$14,317
Fringe Benefits	4.170	4.739
Total	\$15,996	\$19,056
<u>Contractual Service Costs</u>		
	<u>10,076</u>	<u>10,076</u>
<u>Estimated Savings</u>		
	\$5,920	\$8,980

Comments: 1. Security guard services were first certified as required by Charter Section 8.300-1 in 1988. These services have been provided by an outside contractor since 1986.

2. Security guard services at 450 McAllister were performed by a contractor until February 22, 1989 when the contractor lost their Minority Business Enterprise (MBE) status (BBI requires that security services be performed by an MBE). Since then, security services have been performed temporarily by a Bureau of Building Repair security guard (on loan) until a competitive bid process and a Proposition J certification could be completed. The competitive bid process has been completed with the selection of a Minority Business Enterprise (MBE). The Contractual Service Cost used for the purposes of this Proposition J certification is the actual bid of the selected contractor, Cal State Patrol Services, Inc.

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3. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of this contract, is attached.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

CHARTER H-300-1 (Proposition J) QUESTIONNAIRE

Department DPW-Bureau of Building Insp. For Time Period Aug 1, 89-June 30, 90

Contract Services For Building Security Services by Cal. State Patrol Service, Inc.

- 1) Who performed services prior to contracting out?
A: Young Patrol Service
1255 Post Street, Suite 900, San Francisco, CA 94104
B. DPW-Building Repair Security (interim services)
- 2) Number of City employees laid off as result of contracting out?
None
- 3) Explain disposition of employees if they were not laid off.
A. Young Security Services is a private vendor (an independent private contractor)
B. DPW-Building Repair Security are regularly employed by DPW for more than a year.
- 4) What percent of a City employee's time is spent on services to be contracted out?
4 hours per day
(5:00 PM to 9:00 PM Monday through Friday--except holidays for which City offices are closed)
- 5) How long have the services been contracted out?
One year.
- 6) What was the first fiscal year for a Proposition J Certification?
FY 1989-1990 (Aug. 1, 1989 through Dec. 31, 1989)
FY 1990-1991 (Jan. 1, 1990 through Jun. 30, 1990)
- 7) How will contract services meet the goals of your MBE/WBE Action Plan?
Prospective contractor is qualified MBE, with certification No.21-109-00201 by the Human Rights Commission. This is a part of the BBI MBE/WBE affirmative action plan.

Source: Controller's Office

Gail Tang
Department Representative

Telephone: (415)558-6237

Item 17 - File 31-89-13

Department: Sheriff's Department

Item: Resolution authorizing the immediate filling of a vacant position.

Position: 8306 Senior Deputy Sheriff, Court Services Division

Retirement Date: September 15, 1989

Normal Refill Date: April 3, 1990

Proposed Refill Date: October 10, 1989

Funding Needed: \$19,850 (125 days @ \$158.80/day)

Proposed Funding Source: Surplus Salary Savings

Description: Section 10, Subsection 1 of the Annual Appropriation Ordinance permits immediate filling of a position left vacant due to retirement of an incumbent when a lump sum payment is made for accumulated leave. The immediate filling of a vacant position requires a request by the department's appointing officer, the approval of the department head, the recommendation of the General Manager, Personnel, and the Mayor and approval by ordinance or resolution of the Board of Supervisors.

Comments:

1. The incumbent Senior Deputy Sheriff, Court Services Division, retired on September 15, 1989, and will be paid for 141 days of accumulated sick leave and vacation pay which prevents refilling this position before April 3, 1990.
2. This position is one of 19 Senior Deputy Sheriffs assigned to the 21 Superior Court rooms in City Hall. According to Lt. Jan Dempsey of the Sheriff's Department, one Senior Deputy Sheriff is assigned to each of the 19 Superior Court rooms and security is provided for two of the City Hall Superior Court rooms on a roving basis. A new Superior Court room which is being created in City Hall for domestic relations cases and the vacancy that would be created by the retiring Senior Deputy Sheriff would leave four Superior Court rooms to be covered on a roving basis. Although the Judges have discretion regarding the level of security required in civil court cases, which are the types of cases

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most frequently heard in the City Hall courtrooms, Sheriff Michael Hennessey indicates that the inability to fill the vacated position would compromise court security. Sheriff Hennessey reports that increasing court security demands at Youth Guidance Center and at the Hall of Justice prevent the Department from reassigning personnel to the Superior Courts at this time.

Recommendation: Approve the proposed resolution.

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BUDGET ANALYST

Item 18 - File 31-89-12

Department: Port Commission

Item: Resolution authorizing the immediate filling of a vacated position

Position: 5364 Civil Engineering Associate I, Engineering Division

Retirement Date: September 22, 1989

Normal Refill Date: February 21, 1990

Proposed Refill Date: October 10, 1989

Funding Needed: \$15,101 (96 days @ \$157.30/day)

Proposed Funding Source: Salary Savings

Description: Section 10, Subsection 1 of the Annual Appropriation Ordinance permits immediate filling of a position left vacant due to retirement of an incumbent when a lump sum payment is made for accumulated leave. The immediate filling of a vacant position requires a request by the department's appointing officer, the approval of the department head, the recommendation of the General Manager, Personnel, and the Mayor and approval by ordinance or resolution of the Board of Supervisors.

Comments:

1. The incumbent Civil Engineering Associate I, Engineering Division, will retire on September 22, 1989, and will be paid for 108 days of accumulated sick leave and vacation pay which prevents refilling this position before February 21, 1990.
2. According to Mr. Benjamin Kutnick of the Port, this position is responsible for drafting maps of Port properties. Mr. Kutnick reports that these maps are used on a daily basis by Port property managers and are required for the implementation of the Port's Facility Cost Accounting System, which will be a cost control system for all Port operations. The Port's Engineering Division has two Civil Engineering Associate I positions. According to Mr. Cliff Jarrard of the Port, the Civil Engineering Associate I has been assigned to the Facility Cost Accounting System project for 100 percent

BOARD OF SUPERVISORS
BUDGET ANALYST

of the time through March, 1990. Mr. Jarrard indicates that the Division's other Civil Engineering Associate I is assigned 100 percent of the time to other Port projects and would be unable to work on the Facility Cost Accounting System. According to Mr. Jarrard, the Port would be unable to reassign a Civil Engineer Associate I from another Port division to the Engineering Division because the Port is currently experiencing a shortage of Civil Engineering Associate I positions. Mr. Jarrard indicates that if the proposed immediate filling were not approved, the implementation of the Facility Cost Accounting System would be delayed until the vacated position could be filled.

3. The 5364 classification for the Civil Engineering Associate I is incorrectly shown in the legislation as 9364 and should be corrected.

Recommendation: Amend the legislation to correct the classification from 9364 to 5364 Civil Engineering Associate I and approve the proposed resolution.

Memo to Finance Committee
September 20, 1989

Item 19 - File 101-89-27

Department: Department of Public Works (DPW); Municipal Railway (MUNI)

Item: Supplemental Appropriation Ordinance for capital improvement projects for the Municipal Railway for FY 1989-90

Amount: \$2,750,000

Source of Funds: Transit Impact Development Fees (TIDF)

Description: Transit Impact Development Fees are collected on new and expanded commercial developments in an area covering most of the downtown financial district. The purpose of this one-time fee, which was approved by the Board of Supervisors and signed by the Mayor on May 5, 1981, was to fully recover the costs of the construction and operation of service additions and improvements of the Municipal Railway (including the cost of additional transit vehicles) resulting from new and expanded downtown office development. Based upon the premise that new development for office space in the downtown area results in increased demand for public transit service, the TIDF is charged to those developments that generate an added burden on MUNI. Developers have to pay, as a condition for the issuance of a building permit, a one-time fee of \$5 per square foot which is related directly to the incremental financial burden placed on the Municipal Railway by providing additional peak-period transit. For FY 1988-89, the fund balance was \$44,198,248. The current unencumbered balance is \$40,313,010.

The proposed Supplemental Appropriation Ordinance would authorize MUNI to spend \$2,750,000 in Transit Impact Development Fee revenues on the following projects:

<u>Light Rail Vehicle (LRV) Improvements</u>	\$950,000
Corrosion Repair	\$201,200
Master Controller modifications	269,500
Linear Control Valve modifications	318,000
Temporary Salaries	<u>161,300</u>
Total	\$950,000

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Funds will be used for repair of corrosion damage on existing vehicles and for modification of existing LRV equipment to improve vehicle availability during peak service hours. The equipment repair and modifications will be performed in house.

<u>New LRV's</u>	\$650,000
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These funds would be part of the required local match to Federal and State grants for the purchase of 28 new LRV's. The estimated cost of the 28 new LRV's to be delivered by 1994 is approximately \$60 million. Funding for these 28 LRV's is as follows:

UMTA Grant (Federal)	\$45,000,000
Guideways Grant (State)	6,200,000
Bridge Toll Revenue (Local Match)	600,000
Proposed TIDF Appropriation (Local Match) - This Request	650,000
Local Match Funding Yet To Be Identified	<u>7,550,000</u>
Total	\$60,000,000

<u>Metro East Facility</u>	\$500,000
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\$200,000 will be used to extend an existing consulting contract for the conceptual design for a proposed LRV maintenance and storage facility to be located in the Mission Bay development. The \$115,000 existing contract is for a general conceptual design of a facility that could be built on any site. The proposed \$200,000 extension would be for a revision of the general conceptual design to a specific conceptual design at a specific site in the Mission Bay area. The consulting firm performing the conceptual design work charges an average rate of \$75 per hour for approximately 2,666 hours of work. The remaining \$300,000 will be used to conduct an Environmental Review of the Metro East project. PUC Finance does not know how much of the \$300,000 environmental review will be performed by outside consultants versus how much will be done by the Department of City Planning. PUC Finance's preliminary estimate of the \$300,000 budget is as follows:

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Environmental Evaluation Application	\$18,000
Initial Study	17,000
Traffic Study	25,000
Soils Study	35,000
Socio/Economic Study	10,000
Zoning Reclassification	18,000
Conditional Use Authorization	17,000
Lobbyist (Extra Time)	10,000
Request for Proposal (RFP) Preparation	50,000
Appraisals	50,000
Other Staff Time	<u>50,000</u>
Total	\$300,000

Waterfront Service \$500,000

\$400,000 will be used as the local matchs for two Federal Urban Mass Transportation Act (UMTA) Interstate 280 Transfer Fund grants totalling \$2.7 million. The \$849,150 UMTA grant for 1988-89, previously approved by the Board of Supervisors (File 94-88-12), requires a \$150,000 match. The proposed \$1,933,000 UMTA grant for 1989-90, yet to be submitted to the Board of Supervisors for approval, will require a \$250,000 match. These grants will be used to design and construct rail service connecting the Ferry Building to Fisherman's Wharf and would enhance service between the Wharf and the downtown area. The additional \$100,000 will be used to fund a study of future projects that would extend rail service beyond the Mission Bay Project.

Special Surveys and Review \$150,000

Funds will be used to hire a consultant to conduct a survey to update the assumptions used in annual rate studies required to justify the Transit Impact Development Fee rate. The current assumptions are based on data collected approximately 10 years ago. The TIDF Administrator reports that a survey needs to be conducted to update the data on which the TIDF rate assumptions are based. These monies would be spent as follows:

Outside Consultant - 2,400 hours @ \$50/hour	\$120,000
Overhead	<u>30,000</u>
Total	\$150,000

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Comments:

1. The \$250,000 match to the 1989-90 UMTA grant included in the \$500,000 requested for the Waterfront Service should be reserved pending the future approval of the grant by the Board of Supervisors.
2. The \$100,000 for the study of the extension of rail service included in the \$500,000 for the Waterfront Service project should be reserved pending specific budgetary details of future projects.

Recommendation: Amend the proposed Supplemental Appropriation Ordinance to reserve \$250,000 of the \$500,000 Waterfront Service request for the local match to a 1989-90 UMTA grant, pending the future Board of Supervisors approval to apply for, accept and expend that grant. Amend the proposed Supplemental Appropriation to also reserve \$100,000 of the \$500,000 Waterfront Service request for the study of extension of rail service, pending the submission of further information as noted in Comment 2 above. The total amount to be reserved is \$350,000 (\$250,000 UMTA grant match and \$100,000 for future projects). Approve the proposed Supplemental Appropriation Ordinance as amended.

Item 20 - File 101-89-28

Department: Assessor's Office

Item: Supplemental appropriation ordinance to continue development of the Assessor's Office data base for the City's Property Information System.

Amount: \$316,000

Source of Funds: General Fund-General Reserve

Description: The proposed ordinance would authorize a supplemental appropriation of \$316,000 from the General Fund-General Reserve to the Assessor's Office to continue development of the data base for the projected City-wide Property Information System.

According to the Assessor's Office, centralization of data and efficiency created by the new system will result in faster reporting of property transfers, and other similar property transactions which in turn will result in faster reassessments and increased tax revenues.

In 1984, at the direction of Electronic Information Processing Steering Committee (EIPSC), a Property Information System Users Group was formed to study the development of standardized, City-wide Property Information System. The Users Group was led by representatives of the Assessor's Office and Recorder's Office. An early decision was made that the Assessor's Office system would be developed as the cornerstone of that City-wide system. Since 1985, the Group has studied the requirements and design of the Assessor's system. In November, 1986, EIPSC gave its approval to proceed with the project, which was then estimated for completion by January, 1988.

Comments:

1. However, in a recent meeting with members of the Assessor's Office, the Budget Analyst was informed that budgetary shortages, personnel turnover, and legislation which, according to the Assessor's Office has greatly increased the burdens and responsibilities of the Assessor's Office, have caused the project to be delayed for nearly two years, resulting in increased costs and changes to the project scope. According to the Assessor's Office, the \$316,000 supplemental appropriation, that is the subject of this item, is necessary to complete the 1989-90 phase of the Assessor's

BOARD OF SUPERVISORS
BUDGET ANALYST

system requirements, its functions, and the information to be held in the system.

2. Furthermore, the Assessor's Office reports that the Recorder's Office, which is part of the Users Group, currently has \$300,000 of reserved funds in its 1989-90 budget to devote to this project. According to the Assessor's Office, approximately \$290,000 to \$500,000 has already been expended to date in the development of this project, and that approximately \$2 million more will be needed to complete the project.

3. Although the Assessor's Office has supplied the Budget Analyst with an Executive Summary and other reports and memoranda concerning this project, the Assessor has not provided the Budget Analyst with information that is necessary to adequately review the fiscal details of the proposed supplemental appropriation. Further, information concerning the basis for the projected cost increases, more detailed actual expenditure data and the original and current budget for this project are needed to fully report on this proposed ordinance.

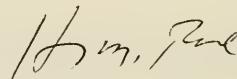
Recommendation:

Based on the foregoing, the Budget Analyst requests that this item be continued to the call of the Chair pending the receipt and review of the additional requested detailed information. The Budget Analyst is informed that the Assessor's Office concurs with this request.

Memo to Finance Committee
September 20, 1989

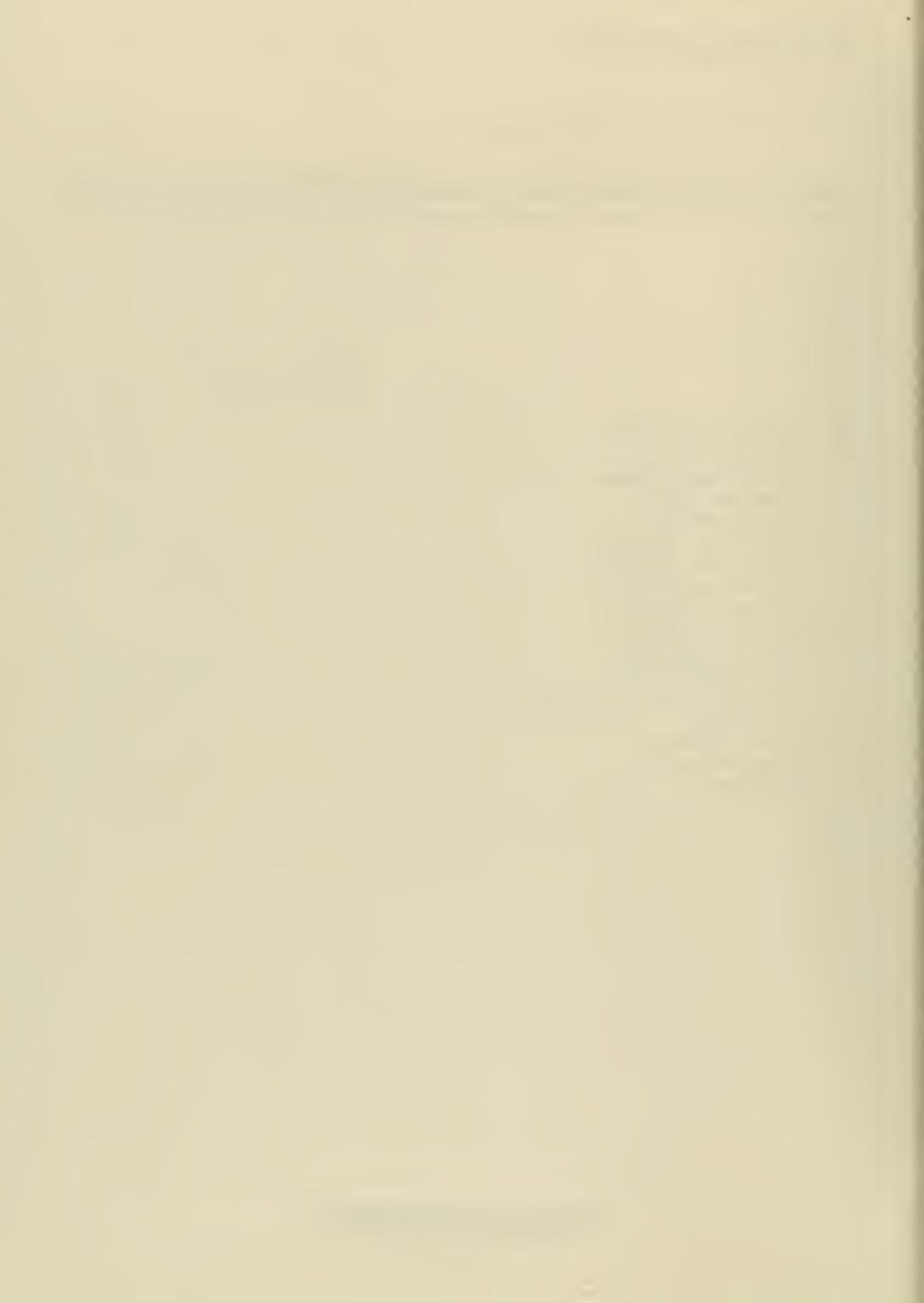
Items 21 through 24 - Files (various)

The proposed ordinances and resolution authorizing settlements of litigation are legal matters under the responsibility of the City Attorney's Office. The Budget Analyst does not normally review and report on such items.



Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey



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Actions Taken

CALENDAR
MEETING OF
FINANCE COMMITTEE

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Board of Supervisors
City and County of San Francisco

WEDNESDAY, SEPTEMBER 27, 1989 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS WALKER, WARD, HALLINAN

ABSENT: SUPERVISOR HALLINAN, ITEMS 1, 3-14

CLERK: GREG HOBSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m. the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll-call vote of the committee. There will be no separate discussion of these items unless a member of the committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
 - a) File 97-89-34. [Hold Harmless Agreements] Ordinance amending Administrative Code, by adding Section 1.25-6 thereto, authorizing the Airports Commission to enter into hold harmless with governmental entities for Airport Police Officer Training. (Airports Commission)
 - b) File 23-89-9. [Claim Against the Government] Resolution waiving the statute of limitations with respect to payment of certain warrants of the City and County of San Francisco in the sum of \$30,095.37 a legal obligation of the City and County of San Francisco. (Controller)
 - c) File 31-89-14. [Employee Replacement] Resolution approving the immediate filling of a vacated position of 2576 Supervisor Clinical Psychologist, Laguna Honda Hospital, Department of Public Health. (Dept. Public Health)

ACTION: RECOMMENDED.

REGULAR CALENDAR

2. File 97-89-31. To consider policy setting, administration and budgeting of the Narcotics Forfeiture and Asset Seizure Fund. (Supervisor Walker)
(Cont'd from 8/9/89)
3. File 118-89-3. [Medical Liens] Ordinance amending Article 3 of the San Francisco Health Code by amending Section 124.4 to delete provisions relating to medical liens for services before 1966. (Supervisor Kennedy)

ACTION: CONTINUED TO OCTOBER 4, 1989, MEETING.

4. File 101-89-19. [Government Funding] Ordinance appropriating \$280,000, Human Rights Commission, for permanent salaries and related mandatory fringe benefits, professional services, training, services of other departments - Controller's data processing, Purchasing - general office and data processing equipment, for the creation of two positions (Classifications 1818 Management Information System Specialist II and 1721 Senior Data Entry Operator). (Controller) RO #9051 (COMPANION TO THE FOLLOWING FILE)

ACTION: AMENDED. RECOMMENDED AS AMENDED. Revised figures as follows: Permanent Salaries - \$37,350; Retirement - \$5,556; Social Security - \$2,782; Health Service - \$1,673; Unemployment - \$74; Professional Services - \$80,000; Training - \$10,000; Controller's Data Processing - \$52,000; Data Processing Equipment - \$72,565. Place \$72,565 on reserve. AMENDED TITLE: "Appropriating \$280,000 for permanent salaries and related mandatory fringe benefits, professional services, training, services of other department - Controller's data processing, Purchasing - General Office and data processing equipment, for the creation of two (2) positions, Human Rights Commission, for fiscal year 1989-90; placing \$72,565 on reserve."

5. File 102-89-7. [Public Employment] Ordinance amending Annual Salary Ordinance 1989-90, Human Rights Commission, reflecting the addition of two positions (Classifications 1818 Management Information Systems Specialist II and 1721 Senior Data Entry Operator). (Civil Service Commission) (COMPANION TO THE PRECEDING FILE)

ACTION: RECOMMENDED.

6. File 101-89-22. [Government Funding] Ordinance appropriating \$12,000, Police Department, for program project budget (enforcement). (Controller) RO #9054

ACTION: RECOMMENDED.

7. File 101-89-25. [Government Funding] Ordinance appropriating \$41,100, Recreation and Park Department, for program project budget (San Francisco County Fair - Flower Show). (Controller) RO #9062

ACTION: AMENDED. RECOMMENDED AS AMENDED. On line 3 after "1989-90" add ";" and providing ratification of action previously taken." Add a Section 2 to read: Although the City has incurred no legal obligation under the Charter, the Board of Supervisors does hereby appropriate the funds necessary for the obligation and does hereby ratify the action previously taken. AMENDED TITLE: "Appropriating \$41,100 for program project budget (San Francisco County Fair - Flower Show), Recreation and Park Department, for fiscal year 1989-90; and providing ratification of action previously taken."

8. File 97-89-35. [Revolving Fund] Ordinance amending Administrative Code, by amending Section 10.160, Recreation and Park Department, to increase said Revolving Fund from \$17,250 to \$27,250. (Recreation and Park Department)

ACTION: RECOMMENDED.

9. File 31-89-12. [Employee Replacement] Resolution approving immediate filling of vacated position of 9364 Engineering Associate I. (Port Commission)

ACTION: AMENDED. RECOMMENDED AS AMENDED. Replace "9364" with "5364" on lines 2 and 6. AMENDED TITLE: "Approving immediate filling of vacated position of 5364 Engineering Associate I."

10. File 101-89-20. [Government Funding] Ordinance appropriating \$30,000, Art Commission, for local match - State Partnership Art Policy Plan. (Controller) RO #9052

ACTION: RECOMMENDED.

11. File 101-87-36.35. [Release of Reserved Funds] Requesting release of reserved funds, Art Commission, in the amount of \$40,000 for restoration of public monuments. (Art Commission)

ACTION: RELEASE OF \$40,000 APPROVED; FILED.

12. File 101-89-23. [Government Funding] Ordinance appropriating \$3,441,850, Airport Commission, for judgement and claims. (Controller) RO #9055

ACTION: AMENDED. RECOMMENDED AS AMENDED. Increase appropriation to \$3,455,853. AMENDED TITLE: "Appropriating \$3,455,853 for judgement and claims, Airport Commission, for fiscal year 1989-90." (Approved by Mayor's Office and letter to be submitted.)

13. File 97-89-33. [Public Health] Ordinance amending Administrative Code, by amending Section 16.6-10 thereof, adding certain organizations to the membership list of the Department of Public Health. (Department of Public Health)

ACTION: AMENDED. RECOMMENDED AS AMENDED. On Page 1, line 17 delete "American Occupational Therapist Association"; on Page 2, line 13 delete "California Public Health Association - North."

14. File 101-88-51.1. Requesting release of reserved funds, Public Utilities Commission, Municipal Railway, in the amount of \$164,000, for start-up costs at Muni's new Flynn Division. (Public Utilities Commission)

ACTION: RELEASE OF \$164,000 APPROVED; FILED.

15. File 101-88-45.1. Requesting release of reserved funds, County Education Office-San Francisco Unified School District (Prop A Bond Funds), in the amount of \$157,976, to fund training, equipment, materials and supplies associated with asbestos abatement at the various facilities of the San Francisco Unified School District. (Office of the Mayor)

ACTION: RELEASE OF \$157,976 APPROVED; FILED.

16. File 101-87-40.1. [Release of Reserved Funds] Resolution authorizing the Controller to release \$330,000 held in reserve to the Parking Authority for neighborhood angle parking capital improvement project. (Parking Authority)

ACTION: RELEASE OF \$330,000 APPROVED; TABLED.

17. File 60-89-11. [Ballot Measure] Resolution endorsing the Clean Air and Transportation Improvement Act of 1990 (State Initiative). (Supervisor Britt)

ACTION: CONTINUED TO THE CALL OF THE CHAIR.

18. File 107-89-10. [License Agreement] Resolution authorizing license to use real property located at 277 Golden Gate Avenue for the Department of Social Services, accepting gift of the use of real property and authorizing hold harmless provision. (Supervisor Walker)

ACTION: CONTINUED TO OCTOBER 11, 1989, MEETING.

19. File 101-89-31. [Government Funding] Ordinance appropriating \$85,624, City Planning, for temporary salaries and related mandatory fringe benefits, data processing services, equipment maintenance, telephone, word processing equipment and reproduction (1990 Census). (Controller) RO #9069

ACTION: RECOMMENDED.

20. File 101-89-33. [Government Funding] Ordinance appropriating \$2,255,000 for capital improvement project (Proposition 52 start-up project), Sheriff for fiscal year 1989-90; placing \$785,000 in reserve. (Supervisor Hallinan)

ACTION: AMENDMENT OF THE WHOLE PREPARED IN AND REPORTED OUT OF COMMITTEE. ADOPTED. RECOMMENDED. Reduce amount to \$2,179,000 and place \$410,149 in reserve. NEW TITLE: "Appropriating \$2,179,000 for facilities maintenance and capital improvement projects (Proposition 52 start-up project), Sheriff for fiscal year 1989-90; placing \$410,149 in reserve."

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CITY AND COUNTY



OF SAN FRANCISCO

PTTR : Henry Rose

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

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September 27, 1989

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SEP 28 1989

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TO: Finance Committee

FROM: Budget Analyst

SUBJECT: September 27, 1989 Finance Committee Meeting

Item 1a - File 97-89-34

Department: Airports Commission

Item: Proposed ordinance to amend the Administrative Code to add Section 1.25-6 authorizing the Airports Commission to enter into hold harmless agreements with other governmental agencies in connection with Police Officer training.

Description: The proposed ordinance would amend the Administrative Code to authorize the Airports Commission to enter into hold harmless agreements with governmental entities which provide Police Officer training to Airport Police Officers. These hold harmless agreements provide that, in the event of injury or death of an officer or employee of the Airports Commission during the course of such a training program, the governmental entity providing the training would be held harmless from any claim by the City or its agents or employees arising from the incident.

Comments:

1. The Airports Commission reports that participation in various training programs by Airport Police Bureau Officers is necessary in order to meet the required State standards. The Airport Police Bureau Officers participate in training programs administered by other governmental jurisdictions, including the California Highway Patrol. Ms. Angela Gittens of the Airports Commission states that these entities require, as a condition of participation in their programs, that the City enter into hold harmless agreements releasing the entities from liability in case of injury to a participant. Ms. Gittens further states that the Airport, unaware of the need for such authorization, has entered into such agreements in the past in connection with Airport Police Bureau Officer training.
2. Ms. Gittens states that the Airport Police Bureau will soon be purchasing motorcycles for which its officers will need training. Both the County of San Mateo and the California Highway Patrol will be providing such training. Each entity requires that the City execute hold harmless agreements as a pre-condition of participation in these programs. As such, there is a current need for authorization to enter into hold harmless agreements.
3. The San Francisco Administrative Code already contains various sections, beginning at Section 1.24, which authorize other Commissions and officers to enter into similar agreements. The proposed ordinance will add Administrative Code Section 1.25-6 to authorize the Airports Commission to enter into these hold harmless agreements for Airport Police Bureau training purposes.

Recommendation: Since the execution of such hold harmless agreements is a pre-condition of training programs required and necessary for the Airport Police Bureau Officer, approve the proposed ordinance.

Item 1b - File 23-89-9

Department: Controller

Item: Proposed resolution waiving the statute of limitations in connection with 14 warrants of the City and County of San Francisco totaling \$30,095.37, and authorizing the Controller to issue replacement warrants.

Description: Under the proposed ordinance, the City would waive the statute of limitations for 14 warrants totaling \$30,095.37. These warrants were issued November, 1981 through January, 1983.

Comments: 1. Mr. Henry Leigh, Chief Accountant of the Controller's Office, states that his office has verified that these warrants were issued to satisfy various legal obligations of the City, but have never been negotiated. Mr. Leigh states that these warrants are void one year after date of issuance, but may be replaced. However, the statute of limitations has expired as to the subject warrants, such that they cannot be cashed without the Board of Supervisors' waiver of the statute of limitations.

2. Mr. Leigh states that the Controller has an automated system to cancel warrants after one or more years. Nelson-Brown Equities, an heir and asset location firm, without the request of the payees, reviewed the Controller's records of cancelled warrants, located various payees, and has applied for replacement warrants on behalf of the payees, charging the payees a fee of one-half of their recovery. No requests for payment or replacement of these funds had ever been made by way of those parties prior to Nelson-Brown Equities' involvement in the process.

3. Mr. Leigh also states that because documents concerning old and cancelled warrants are placed in storage, the process of verifying these cancelled warrants is burdensome and time consuming for the Controller's Office. The older the warrants, the more difficult they are to verify. Mr. Leigh adds that at the request of Nelson-Brown Equities, his office is attempting to verify additional warrants totaling approximately \$120,000 which are not the subject of this legislation.

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4. According to Mr. Leigh, it would be much less burdensome to his office if the San Francisco Administrative Code could be amended to provide for an absolute cut-off date for replacement of cancelled warrants, after which time waiver of the statute of limitations by the Board of Supervisors would no longer be permitted. Mr. David Fong of the Controller's Office, states that, in his judgment, while payment of these warrants may be time-barred and legally unenforceable, there is no evidence that the various payees ever received their money. As such, Mr. Fong feels that the City has a moral obligation to ensure that the payees receive payment on the warrants.

Recommendations:

The subject warrants have been outstanding for approximately 6-1/2 to 8-1/2 years. No claims on these cancelled warrants were made until January, 1987 when a private heir and asset location firm, which charges the payee a fee of one-half of the amount recovered, contacted the payees after reviewing the Controller's records. Although these warrants are void and unenforceable against the City unless the Board of Supervisors waives the statute of limitations, the waiver of the statute of limitations is a policy matter for the Board.

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Item 1c - File 31-89-14

Department: Department of Public Health
Laguna Honda Hospital (LHH)

Item: Resolution authorizing the immediate filling of a vacant position.

Position: 2576 Supervising Clinical Psychologist

Retirement Date: April 15, 1989

Normal Refill Date: October 15, 1989

Requested Refill Date: October 3, 1989

Funding Needed: \$1,701 (72 hours @ \$23.625/hr.)

Proposed Funding Source: Excess Salary Savings

Description: Section 10, Subsection 1 of the current Annual Appropriation Ordinance permits immediate filling of a position left vacant due to death or retirement of an incumbent when a lump sum payment is made for accumulated sick leave and vacation. The immediate filling of a vacant position requires a request by the department's appointing officer, the recommendation of the General Manager, Personnel and the Mayor and approval by ordinance or resolution of the Board of Supervisors.

Comments:

1. The incumbent Supervising Clinical Psychologist retired on April 15, 1989, and will be paid for 242 hours of accumulated sick leave which prevents refilling this position before October 15, 1989.
2. This position, which is currently vacant, serves an average of 24 patients in two wards. According to Dr. Mary Ann Johnson of LHH, the LHH has only this one Supervising Clinical Psychologist position and the needs of LHH in this regard have not been met as a result of this vacancy. LHH's Staff Psychiatrist and Neuropsychologist have been filling in on an emergency, as needed basis.

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3. If the proposed resolution is approved, the earliest the Department could fill this position would be October 3, 1989. This is in contrast with the normal refill date of October 15, 1989, a difference of only nine additional working days. Dr. Johnson states that DPH had intended to fill this position earlier. However, due to the approval process required for immediate fillings, the proposed resolution was delayed and the position has not been filled. Dr. Johnson states that she will seek to fill this position at Step 3 which carries a salary at \$1,890 biweekly.

Recommendation: Approve the proposed resolution

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Item 2 - File 97-89-31

Note: This item was continued from the August 9, 1989 Finance Committee meeting.

1. This is a hearing to consider policy setting, administration and budgeting of the Narcotics Forfeiture and Asset Seizure Fund.

2. The Narcotics Forfeiture and Asset Seizure Fund (Fund) was created in 1986. Between August, 1986 and April, 1987, the Fund was administered by the Police Department as a contingency fund under the control of the Chief of Police and the Mayor. Since April, 1987, the fund has been administered by the City's Controller and Treasurer. Under the current arrangements, the Controller's Office provides quarterly reports on the Fund to the Board of Supervisors.

2. According to Lieutenant John Robinson of the Police Department, the four Deputy Chiefs within the Police Department currently comprise the Narcotics Forfeiture Fund Committee within the Police Department. This Committee reviews the requests for appropriations from the Fund and makes recommendations to the Chief of Police. All appropriations less than \$10,000 require the Mayor's approval. All appropriations greater than \$10,000 require approval of the Mayor and the Board of Supervisors.

3. In general, the Fund has been used for purposes related to drug education and prevention and to finance non-personnel expenses of the Department's Narcotics Task Force.

4. According to Lieutenant Robinson, as of mid-September, 1989, the Narcotics Forfeiture and Asset Seizure Fund had a fund balance of \$98,849. However, there is an item currently pending before the Finance Committee regarding the use of \$12,000 of Narcotics Forfeiture Fund revenues for the rental of storage space for confiscated vehicles (Item 6, File 101-89-22 of this report). If this item is approved, it would reduce the available funds to \$86,849. Based on discussions with the Mayor's Office, there are no additional requests for funds from the Narcotics Forfeiture and Asset Seizure Fund that will be brought before the Board of Supervisors in the immediate future.

5. At the July 12, 1989 Finance Committee meeting, the Finance Committee requested that the Mayor's Office of Criminal Justice Planning (MCJC) suggest policies and procedures for use of the Narcotics Forfeiture Fund. According to Ms. Pamela Sweeney of MCJC, the Executive Committee of MCJC met during the last week of July, 1989 and created an ad hoc committee to develop the necessary policies and procedures for the use of the Narcotics Forfeiture Fund. Mr. Jim Buick of MCJC reports that this MCJC ad hoc committee consists of Supervisor Hallinan as well as representatives from all of the City's Criminal Justice Departments (i.e., Sheriff, Adult Probation, Police, District Attorney, Public Defender, etc.) and selected community representatives.

6. According to Mr. Buick, the ad hoc committee has met twice. Each of the City departments that are represented on the committee have been requested to develop a list of prioritized items fund to be funded by the Narcotics Forfeiture and Asset Seizure Fund. At the next ad hoc committee meeting, it is anticipated that the departments' lists of prioritized items can be merged into one City-wide list of priorities. The recommendations of the ad hoc committee would be presented to the Executive Committee of MCJC for their approval, prior to presentation to the Finance Committee of the Board of Supervisors. Although no specific date has been established, it is anticipated that the ad hoc committee's work would be completed within approximately one month.

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Item 3 - File 118-89-3

Note: This item was continued at the September 20, 1989 Finance Committee meeting.

1. The proposed ordinance would delete certain provisions of Health Code Section 124.4 relating to the release of liens imposed prior to July 13, 1966 for the cost of medical services.

2. As currently worded, Health Code Section 124.4 requires that the Board of Supervisors act on each lien release covered by the section. Ms. Sharon Kennison, Assistant Administrator for Patient Finance at San Francisco General Hospital, states that the proposed ordinance is designed to eliminate the involvement of the Board of Supervisors in this process, allowing these liens to be handled by the Bureau of Delinquent Revenue (BDR) in the Tax Collector's Office.

3. Mr. Robert Fletcher, Attorney for the Tax Collector, states that his office is responsible for all aspects of collection of liens arising after July 13, 1966, under authority of the Administrative Code designating the Tax Collector as collection agent for these matters. Mr. Fletcher's interpretation of the proposed amendment is that authority to deal with all liens for medical services, regardless of when they were rendered, would rest with his office. Mr. Fletcher believes this proposed ordinance, if enacted, would relieve some administrative burden from the Tax Collector's Office by eliminating the need to request from the Board of Supervisors release of pre-1966 liens .

Comment

Approval of the proposed ordinance would remove the authority of the Board of Supervisors to approve individual lien releases.

Recommendation

Relinquishing authority vested in the Board of Supervisors is a policy decision for the Board.

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Items 4 and 5 - Files 101-89-19 and 102-89-7

Note: These items were continued at the September 20, 1989 Finance Committee Meeting.

Department: Human Rights Commission (HRC)

Items: File 101-89-19 - Supplemental Appropriation Ordinance to increase the 1989-90 HRC budgets for salaries and fringe benefits for the addition of two new positions and for various operating expenses needed to develop and operate a data base system to manage and monitor the City's Minority Business Enterprise(MBE)/Women Business Enterprise(WBE) program.

File 102-89-7 - Ordinance to amend the Annual Salary Ordinance to create two new positions for the HRC.

Amount: \$280,000

Source of Funds: Reserve for Human Rights Commission established by the Board of Supervisors as part of the City's 1989-90 Annual Budget process for the MBE/WBE and Domestic Partner Programs.

Description: The Board of Supervisors established a \$280,000 reserve as a part of the 1989-90 City Budget (Annual Appropriation Ordinance). The \$280,000 Reserve for Human Rights Commission was designated for the development of a data system to manage and monitor the City's MBE/WBE program. HRC was requested to submit a Supplemental Appropriation Ordinance request to effect the data system development for the MBE/WBE program.

The proposed data system would enable HRC to collect data from City departments concerning their contracts and procurement practices relative to the MBE/WBE program. As a result, HRC would be better equipped to monitor compliance with the MBE/WBE Ordinance and the data system would provide HRC with the information needed for reports to the Mayor and to the Board of Supervisors.

The proposed data system was developed by a committee of representatives from several City departments including the Controller, the Purchaser, the Department of Public Works, the Public Utilities Commission and the HRC. The proposed data system would require the creation of two new permanent positions, approximately \$37,000 in on-going operating costs and approximately \$160,000 in one-time costs.

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The proposed amendment of the Annual Salary Ordinance (File 102-89-7) would create two new positions, which will be classified at a future meeting of the Civil Service Commission, as follows:

<u>Classification</u>	<u>Biweekly Salary</u>	<u>Annual Salary at Top Step</u>
1818 Management Information Systems Specialist II	\$1,394-\$1,690	\$44,109
1721 Senior Data Entry Operator	\$ 842-\$1,018	\$26,570

The proposed Supplemental Appropriation Ordinance (File 101-89-19) would fund the two new positions for 24 biweekly pay periods from July 31, 1989, through June 30, 1990, and would fund other operating costs as follows:

Personnel Costs

Permanent Salaries - Miscellaneous	\$ 64,992
Mandatory Fringe Benefits	<u>17,695</u>
Subtotal - Personnel Costs	<u>\$ 82,687</u>

Operating Costs

Professional and Special Services	\$ 72,313
Training	10,000
Controller - Data Processing	64,000
Purchaser	<u>18,000</u>
Subtotal - Operating Costs	<u>\$164,313</u>

Data Processing Equipment \$ 33,000

Project Total \$280,000

Mr. Chris Baldo of the Controller's Office has been formulating this project and has prepared a revised budget for the expenditure of the \$280,000. This revision is necessary because of the need for more data processing equipment than was originally expected. Mr. Baldo's revised budget and explanations are as follows:

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Personnel Costs

Permanent Salaries - Miscellaneous	\$37,350
One 1818 Management Information Systems Specialist II beginning November 1, 1989 and one 1721 Senior Data entry Operator beginning January 1, 1990.	
Mandatory Fringe Benefits	<u>10,085</u>
Subtotal - Personnel Costs	<u>\$47,435</u>

Operating Costs

Professional and Special Services	\$80,000
Outside consultant to develop the data base system. The consultant selected is a Minority Business Enterprise and will perform 10,000 hours at \$80 per hour.	
Training	10,000
HRC and Controller's staff will be trained to operate the data base system which is based on a specialized software system.	
Controller (Work order)	52,000
\$17,000 will go to the Financial Systems Division for technical management and to develop the interface between the data base system and the FAMIS system. \$35,000 will go to Information Services Division to combine the FAMIS and the Purchaser's system interfaces and to operate a backup system for one year.	
Purchasing (Work order)	18,000
Three Purchasing systems must be interfaced with the data base system.	
Subtotal - Operating Costs	<u>\$160,000</u>

<u>Data Processing Equipment</u>		\$72,565
5 - Personal Computers		\$42,276
1 - Laser Printer		4,695
1 - Graph Plotter		2,195
1 - Tape Backup System		2,500
Connectors and Miscellaneous Software		3,899
	<u>17,000</u>	
		\$72,565
<u>Project Total</u>		<u>\$280,000</u>

Comment: Mr. Baldo reports that proposed data processing equipment purchase has not yet been reviewed by the Electronic Information Processing Steering Committee (EIPSC). Therefore, the \$72,565 for this equipment should be reserved pending EIPSC approval.

Recommendations: 1. Amend the proposed Supplemental Appropriation Ordinance (File 101-89-19) to reflect the revised project budget detailed in the Description above and to reserve \$72,565 for Data Processing Equipment pending EIPSC approval. Approve the proposed Supplemental Appropriation Ordinance as amended.

2. Approve the proposed Ordinance (File 102-89-7) to amend the Salary Standardization Ordinance.

Item 6 - File 101-89-22

Note: This item was continued at the September 20, 1989 Finance Committee meeting.

Department: Police Department

Item: Supplemental Appropriation Ordinance

Amount: \$12,000

Source of Funds: Narcotics Forfeiture and Asset Seizure Fund

Purpose: To fund rental of space for temporary storage of confiscated vehicles which the Police Department seizes from drug traffickers.

Description:

1. The Police Department's Narcotics Forfeiture and Asset Seizure Fund was established by the City in order to receive money or proceeds from any tangible property seized by city law enforcement agencies during arrests for the sale of narcotics. The monies obtained are to be used for law enforcement-related purposes only.
2. The proposed \$12,000 appropriation would be used to fund a one year license for storage space from the U.S. Department of the Navy at the Hunters Point Naval Shipyard, Building 128. The Police Department would use the warehouse space to store vehicles it seizes from drug traffickers until title to these vehicles is transferred to the City and County of San Francisco.
3. The proposed \$12,000 appropriation would enable the Police Department to rent 5,000 square feet of storage space, at a cost of \$0.20 per square foot per month, for a total of \$1,000 per month, or \$12,000 for one year. The license for the 5,000 square feet of storage space will extend from July 1, 1989 through June 30, 1990.
4. In June, 1989, the Board of Supervisors approved a resolution authorizing a one year license from the U.S. Department of the Navy for the use of the proposed real property by the Police Department (File 64-89-19). This request is to provide the needed monies to fund that previously approved license.

Comments:

1. In prior years, the Police Department leased 1,500 square feet of warehouse storage space from the Navy at Hunters Point. However, the Police Department reports that the 1,500 square feet of space was no longer adequate to meet the needs of the Police Department and that additional space was required. The 5,000 square foot license increases the previous 1,500 square feet of available storage space by 3,500 square feet.
2. It should be noted that under the previous license with the Navy, the Police Department paid \$0.20 per square foot of space, for a monthly rent of \$300 and a total annual cost of \$3,600. The current license does not increase the rate per square foot. However, the proposed increase in space has resulted in an additional expense of \$700 per month (\$1,000 less \$300), for a total additional annual cost of \$8,400. The Real Estate Department has determined that the rental is a fair market rate.
3. According to the Police Department, the Hunters Point facility is an ideal location for the confiscated vehicles because the seized vehicles are stored in an enclosed and locked warehouse. In addition, there are guards posted at the entrance to the Hunters Point Naval Shipyard, providing additional protection for the seized vehicles. The Police Department reports that the City is liable for any damage to these vehicles. According to the Police Department, there are 35 confiscated vehicles currently stored in the Hunters Point storage facility.
4. As previously noted, the proposed \$12,000 supplemental appropriation would fund the annual license for storage space from July 1, 1989 through June 30, 1990. In response to inquiries by the Budget Analyst, Lieutenant John Robinson of the Police Department reports that the Navy has not been paid for the rental of the storage space since July 1, 1989, a period of approximately three months. However, the Police Department does report that the annual license for the additional space was approved by the Board of Supervisors in June, 1989 and the proposed supplemental appropriation was submitted to the Mayor's Office several months ago. According to Peter Goldstein of the Mayor's Office, the Mayor's Office recommended that the proposed supplemental appropriation be fully funded in late June, 1989, but, that this supplemental appropriation was delayed because of concerns regarding the priorities for use of the Narcotics Forfeiture and Asset Seizure Fund.

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5. By mutual agreement between the City and the Navy, the license for this storage space is subject to renewal on an annual basis. However, any future agreements will also be subject to the Navy's future plans for Hunter's Point.
6. Lieutenant Robinson reports that there is a current fund balance of \$98,849 remaining in the Narcotics Forfeiture and Asset Seizure Fund. If the proposed \$12,000 appropriation is approved, there would be a fund balance of \$86,849.

Recommendation: Approve the proposed Supplemental Appropriation Ordinance.

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Item 7 - File 101-89-25

Note: This item was continued at the September 20, 1989 Finance Committee meeting.

Department: Recreation and Park Department

Item: Ordinance authorizing a supplemental appropriation of \$41,100 for Program Project Budget of the San Francisco County Fair - Flower Show for FY 1989-90.

Amount: \$41,100

Source of Funds: State County Fair Fund, Unallocated Revenue

Description: The proposed ordinance authorizes a supplemental appropriation of \$41,100 to provide additional funds for the 1989 San Francisco County Fair-Flower Show. The funds are to come from surplus funds in the existing State County Fair Fund.

The California Department of Food and Agriculture (DFA) provides funding for county fairs. The San Francisco County Fair-Flower Show is partially funded from this State DFA program. In 1988, the State contributed \$60,000, plus an additional \$15,000 of augmentation funds to the San Francisco County Fair for a total of \$75,000. In 1989, the State's contribution was also \$75,000. A separate State County Fair Fund is maintained for these State funds, Fair receipts, and to hold surplus funds. The proposed supplemental appropriation would come from the \$71,894 surplus currently in this State County Fair Fund.

Comments:

1. Mr. Ernie Prindle, Finance Director of the Recreation and Park Department states that, in past years, the County Fair has been operating as a flower show, and suffered from declining attendance. Mr. Prindle states that with the urging and cooperation of the sponsoring State Department of Food and Agriculture, Division of Fairs and Expositions, the Recreation and Park Department has sought to expand and improve the Fair in order to increase public interest, and attendance. In that regard, the Fair has added the involvement of the Arts Commission, and a designer for the flower show aspect of the Fair. According to Mr. Bob Mansi of the Recreation and Park Department, attendance at the Fair was 7,995 in 1988 (generating \$21,321 in paid admissions) and 10,058 in 1989 (generating \$28,666 in paid admissions).
2. The Recreation and Park Department reports that, at the time of submission and consideration of the Department's fiscal year 1989-90 budget, the requests of the Arts Commission and Flower Show Designer were not available, and not included in its budget. Therefore, the Department has now submitted this supplemental appropriation.
3. The \$41,100 was specifically expended on the following items:

Art Commission Requests

<u>Item</u>	<u>Amount</u>
Equipment (electrical) Rental	\$ 1,000
Temporary Labor (electrical)	1,000
Advertising	2,000
Signs & Banners	200
Special Police	1,500
Trophies & Ribbons	100
Casual Labor	2,850
Technical Director	2,000
Equipment Rental (sound)	<u>3,000</u>
Subtotal	\$13,650

Flower Show Designer Requests

Contract Fee, J. Giuffre for design, set-up, and overall supervision of Flower Show	\$ 6,000
Various Materials and Supplies	<u>21,450</u>
Subtotal	<u>\$27,450</u>
Total	<u>\$41,100</u>

4. Mr. Prindle further states that due to delays in the supplemental appropriation process, the County Fair has already taken place, and the costs, expenses, and activities referred to in this request have been paid using other Department funds which now would be replenished with the proposed allocation of additional State County Fair Fund monies. Therefore, the subject ordinance should be amended to provide for ratification of Department action previously taken.

Recommendations:

1. Amend the proposed ordinance to ratify the action previously taken by the Recreation and Park Department in incurring the \$41,100 cost for the Arts Commission and Flower Designer participation in the San Francisco County Fair and Flower Show.
2. Approve the ordinance as amended.

Item 8 - File 97-89-35

Note: This item was continued at the September 20, 1989 Finance Committee meeting.

Department: Recreation and Park Department

Item: Amendment to the Administrative Code, Article XV, Section 10.160, authorizing a \$10,000 increase in the Revolving Fund of the Recreation and Park Department.

Description: The proposed ordinance would amend the Administrative Code to increase the size of the Recreation and Park Department's Revolving Fund to \$27,250, a \$10,000 increase from its present authorized amount of \$17,250. This Revolving Fund is authorized by the Administrative Code and provides a fund of cash for the day-to-day transactions of the Department.

Comments: Mr. Ernie Prindle, Finance Director of the Recreation and Park Department states that the Department may make expenditures of up to \$200 for its daily business transactions. The Department therefore maintains a Revolving Fund used to provide cash for these routine transactions. This fund is used to pay for items immediately, with reimbursement later coming from the appropriate operating account. The fund is also used as a change account for the Department's various concessions, such as the Japanese Tea Garden and the Zoo.

At the recommendation of the Controller, and approval by the Mayor and the Board of Supervisors, the Department's 1989-1990 budget contained a \$10,000 increase in the Revolving Fund account to provide sufficient funds for the Department's daily transactions. However, since the Revolving Fund is authorized and limited to the \$17,250 sum set forth in the Administrative Code, amendment of Administrative Code Section 10.160 is required to increase the fund.

Recommendation: Approve the proposed ordinance. As noted above, the monies for the \$10,000 increase in the Revolving Fund have been previously approved by the Board of Supervisors in the 1989-90 budget.

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Item 9 - File 31-89-12

Note: This item was continued at the September 20, 1989 Finance Committee meeting.

Department: Port Commission

Item: Resolution authorizing the immediate filling of a vacated position

Position: 5364 Civil Engineering Associate I, Engineering Division

Retirement Date: September 22, 1989

Normal Refill Date: February 21, 1990

Proposed Refill Date: October 10, 1989

Funding Needed: \$15,101 (96 days @ \$157.30/day)

Proposed Funding Source: Salary Savings

Description: Section 10, Subsection 1 of the Annual Appropriation Ordinance permits immediate filling of a position left vacant due to retirement of an incumbent when a lump sum payment is made for accumulated leave. The immediate filling of a vacant position requires a request by the department's appointing officer, the approval of the department head, the recommendation of the General Manager, Personnel, and the Mayor and approval by ordinance or resolution of the Board of Supervisors.

Comments:

1. The incumbent Civil Engineering Associate I, Engineering Division, will retire on September 22, 1989, and will be paid for 108 days of accumulated sick leave and vacation pay which prevents refilling this position before February 21, 1990.
2. According to Mr. Benjamin Kutnick of the Port, this position is responsible for drafting maps of Port properties. Mr. Kutnick reports that these maps are used on a daily basis by Port property managers and are required for the implementation of the Port's Facility Cost Accounting System, which will be a cost control system for all Port operations. The Port's Engineering Division has two Civil Engineering Associate I positions.

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According to Mr. Cliff Jarrard of the Port, the Civil Engineering Associate I has been assigned to the Facility Cost Accounting System project for 100 percent of the time through March, 1990. Mr. Jarrard indicates that the Division's other Civil Engineering Associate I is assigned 100 percent of the time to other Port projects and would be unable to work on the Facility Cost Accounting System. According to Mr. Jarrard, the Port would be unable to reassign a Civil Engineer Associate I from another Port division to the Engineering Division because the Port is currently experiencing a shortage of Civil Engineering Associate I positions. Mr. Jarrard indicates that if the proposed immediate filling were not approved, the implementation of the Facility Cost Accounting System would be delayed until the vacated position could be filled.

3. The 5364 classification for the Civil Engineering Associate I is incorrectly shown in the legislation as 9364 and should be corrected.

Recommendation: Amend the legislation to correct the classification from 9364 to 5364 Civil Engineering Associate I and approve the proposed resolution.

Item 10 - File 101-89-20

Department: Arts Commission

Item: Supplemental Appropriation Ordinance

Amount: \$30,000

Source of Funds: General Fund - General Reserve

Description: The proposed Supplemental Appropriation would provide funding to the Arts Commission's State/Local Partnership Program to supplement a National Endowment for the Arts (NEA) grant to continue the Arts Policy Plan (APP) project, which is a collaborative effort between the Arts Commission and the City Planning Department to develop a comprehensive plan for arts related issues and problems in San Francisco. The APP, which would address issues such as facilities, education, funding, economic development, urban design, cultural diversity and artists' issues, would be used as a cultural element of the City's Master Plan.

In the Fall of 1987, the State/Local Partnership Program received a \$30,000 grant from the NEA through the Friends of the Arts Commission. The grant was for a four-phase project for the period from June 1, 1987 through July 31, 1988, which was extended through December 31, 1989. As of August 31, 1989, the Arts Commission has completed Phases I and II of the APP, which includes a needs assessment, the facilitation of a series of community meetings and the preparation of the first and second drafts of the APP. Due to requests by the newly-appointed Arts Commission to eliminate certain meetings and add other studies and community meetings, the APP project staff has had to revise the APP project budget and is now requesting additional funds to complete Phases III and IV of the APP.

The proposed Supplemental Appropriation Ordinance would fund clerical support, contractual services, and operating expenses for the period from September, 1989, through April, 1990, for APP Phases III and IV, which include public hearings on the second draft, completion of the economic impact study and multi-cultural arts survey, development of the final draft, hearings on the final draft, approval and adoption of the APP by the Arts Commission, Planning Commission, Mayor and Board of Supervisors and production of the final APP. According to Ms. Leah Forbes of the Arts Commission, the initial \$30,000 NEA grant did not require

approval of the Board of Supervisors because the grant was obtained through the Friends of the Arts Commission.

The original APP project budget for the period from December 1, 1987 to August 31, 1989, is as follows:

Personnel Expenses	
Salaries (1.2 FTE)	\$43,800
Mandatory Fringe Benefits	<u>8,012</u>
Subtotal	\$51,812
Contractual Services	
Planning Consultants	\$35,000
Economic Impact Consultants	4,729
Video Documentation	7,710
Graphic Design	<u>1,000</u>
Subtotal	48,439
Operating Expenses	
Supplies	\$2,570
Telephone	450
Postage	1,600
Duplicating/Printing	5,550
Graphics Supplies	700
Travel	<u>400</u>
Subtotal	11,270
Administrative Fee to Friends of the Arts	<u>4,270</u>
Total APP project budget	\$115,791

The Arts Commission's original budget for the APP project of \$115,791 was based on the following sources of funding:

<u>Grant Funds</u>	
NEA	\$30,000
Other Foundations yet to be identified	<u>35,966</u>
Subtotal Grant Funds	\$65,966
<u>In-kind Services</u>	
Arts Commission	\$23,350
City Planning	22,475
MUNI Video Services	1,000
AT&T Production of Final Plan	<u>3,000</u>
Subtotal - In-kind Services	\$49,825
Total Sources of Funds	\$115,791

Comments:

1. The \$35,966 from the Other Foundations indicated above was never realized and the \$1,000 from MUNI was never used, for a total of \$36,966 in funds and in-kind services funding sources no longer available. However, the Arts Commission and Planning Department are now proposing to provide an additional \$18,069 of in-kind services for Salaries and Mandatory Fringe Benefits for the period from September, 1989 through April, 1990 to complete the APP project. Therefore, the APP project budget should be revised to reflect the actual available funds for the period September, 1989 to April, 1990 of \$96,894 (\$115,791 original budget less \$36,966 funds no longer available and adding \$18,069 additional in-kind services).
2. A comparison of the Arts Commission's report of actual expenditures from December, 1987 to August, 1989, and projected costs for the period September, 1989 to April, 1990, to the actual funding available during that period results in a project shortfall of \$46,670, as follows:

	Actual Expenditures 12/87- 8/89	Projected Costs 9/89- 4/90	Total Projected Costs 12/87- 4/90	Actual Funding Available 12/87- 4/90	Projected Shortfall (Surplus)
Salaries	\$43,616	\$19,865	\$63,481	\$55,984	\$7,497
Mandatory Fringe Benefits	8,287	3,774	12,061	10,522	1,539
Contractual Services	33,728	18,385	52,113	20,000	32,113
Operating Expenses	8,425	6,045	14,470	8,400	6,070
Administrative Fees	<u>1,439</u>	-	<u>1,439</u>	<u>1,988</u>	<u>(549)</u>
Total	\$95,495	\$48,069	\$143,564	\$96,894	\$46,670

Therefore, even with the proposed supplemental appropriation of \$30,000, the APP project would still have a shortfall of \$16,670 (\$46,670 projected shortfall less proposed \$30,000 Supplemental Appropriation).

3. According to Ms. Claire Isaacs of the Arts Commission, in an attempt to reduce the amount of the shortfall, the APP project staff has applied for additional funds from the NEA and private foundations. However, these efforts have not been successful.

4. In response to requests by the Budget Analyst, Ms. Isaacs reports that if the proposed supplemental appropriation is approved, the Arts Commission would be able to make up the projected additional \$16,670 shortfall of funds without additional General Fund support. Ms. Isaacs reports that the projected shortfall of \$16,670 (if the proposed Supplemental Appropriation is approved) would be eliminated as follows:

a) Elimination of the Video Documentation	\$7,710
b) San Francisco Foundation Donation	7,500
c) Arts Commission's Public Arts Fund	<u>1,460</u>
Total	\$16,670

Ms. Isaacs reports that the \$7,710 Video Documentation, which would have documented the planning process on film, can be eliminated because it is not critical to the completion of the project. Ms. Isaacs further reports that a \$7,500 donation from the San Francisco Foundation is likely because the Foundation has indicated a strong renewed interest in the APP.

Ms. Isaacs also reports that a \$1,460 contribution from the Public Arts Fund would be used to make up the remaining shortfall. The Arts Commission's Public Arts Fund revenues are received through the sponsorship of the annual Pops Concerts. According to the City's Administrative Code, revenues in the Public Arts Fund may be expended for arts programs and events, based on the determination of the Arts Commission. According to Ms. Isaacs, the balance in the Public Arts Fund as of September 1, 1989 was \$643,579. After all of the outstanding bills are paid from this year's Pops Concerts, Ms. Isaacs anticipates a remaining fund balance of approximately \$150,000 in the Public Arts Fund.

5. Ms. Forbes indicates that the requested funds of \$30,000 were not included in the Arts Commission 1989-90 budget because the APP project staff had anticipated that the APP project could be completed with the existing funds. According to Ms. Forbes, the NEA grant did not require any local cash match funding. However, Ms. Forbes reports that the additional research and community meetings requested by the new Arts Commission has delayed project completion and increased project costs. As a result, the Arts Commission is now requesting supplemental funding to complete the APP project.

Recommendation: Approval of the proposed \$30,000 Supplemental Appropriation Ordinance is a policy matter for the Board of Supervisors.

Item 11 - File 101-87-36.35

Department: Arts Commission

Item: Request to release reserved funds

Amount: \$40,000

Source of Funds: Previously appropriated Arts Commission General Fund monies that were reserved in FY 1987-88 and have been carried forward to FY 1989-90.

Description: According to the City's Charter and Administrative Code, the Arts Commission is responsible for the care and maintenance of the City's public monuments and has established an ongoing program to restore these public monuments. The fiscal year 1987-88 budget for this program was \$81,000. The Board of Supervisors reserved \$40,000 of this funding at the 1987-88 mid-year budget review. According to the Controller's Office, the \$40,000 has been carried forward in the Arts Commission's 1989-90 budget. The Arts Commission is requesting the release of the reserved \$40,000 in order to resume the monument restoration program.

The proposed funds would be used for contractual services for the restoration of the Spanish American War Monument located at Market and Dolores Streets. The Arts Commission's survey of the conditions of 63 outdoor monuments has identified restoration of the Spanish American War Monument as a top priority. Costs for contractual services are as follows:

Labor	
2 workers x \$400/day x 36 days	\$28,800
Scaffolding	3,000
Equipment Rental	2,500
Materials and Supplies	3,000
Photo Documentation	1,500
Insurance	200
Administrative Costs (Contractor's)	<u>1,000</u>
Total	\$40,000

Comments:

1. According to Ms. Debra Lehane of the Arts Commission, the contract for services would be awarded to Ms. Genevieve Baird, a conservator that specializes in restoration of outdoor bronze sculptures, on a sole-source basis due to the specialized nature of the work. Ms. Baird has restored other public monuments for the City. Ms. Lehane reports that the completion of the Spanish American War Monument would complete the major restoration of the monuments on Market Street.
2. Ms. Lehane states that although the Arts Commission is unable to provide specific ongoing maintenance costs for each statue, maintenance costs average from approximately \$5,000 per statue, depending on the basic condition of the bronze, the location of the monument, the size of the monument including its base and the date of the last treatment and cleaning. Ms. Claire Issacs of the Arts Commission indicates that the City has recently received a pledge from Gannett Advertising, the City's contractor that manages the transit shelter advertising, to donate \$50,000 for FY 1989-90 to the Arts Commission for the maintenance of artwork along Market Street, including the maintenance of the Spanish American War Monument at Market and Dolores Streets. In order to protect the restoration treatments, a maintenance program has been planned by the Arts Commission to rotate through the Market Street monuments on a five-year basis. Ms. Lehane states that annual maintenance work would be performed within the available \$50,000 budget for Market Street art maintenance.

Recommendation: Approval of the release of \$40,000 in funds to restore the Spanish American War Monument is a policy matter for the Board of Supervisors.

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Item 12 - File 101-89-23

Department: San Francisco International Airport (SFIA)

Item: Supplemental Appropriation Ordinance to appropriate funds necessary to satisfy a judgment against the Airport in favor of Airporter, Inc.

Amount: \$3,441,850

Source of Funds: Unappropriated Operating Revenue, Airport Operating Fund

Description: The proposed Supplemental Appropriation Ordinance would appropriate \$3,441,850 of Unappropriated Airport Revenues to satisfy a judgment against the Airport in favor of Airporter, Inc. This represents the original judgment in the sum of \$2,690,669, plus \$751,181 of accrued interest at the annual rate of ten percent from the date of the judgment (December 15, 1986 through September 30, 1989).

Ms. Angela Gittens of the SFIA states that the matter was appealed by the City Attorney, but was recently upheld by the District Court of Appeal. Mr. Donald Garibaldi of the City Attorney's Office states that a petition for review before the California Supreme Court has been filed, but he does not anticipate that the petition will be successful. Ms. Gittens and Mr. Garibaldi both state that, as a result, the Airport wants to be prepared to satisfy the judgment as soon as it becomes final in order to avoid additional interest costs which have accrued at the rate of \$737 per day.

Ms. Gittens also states that this loss was recognized for accounting purposes in a prior year and was factored into the computation of the Airport's schedule of rates and charges at that time.

Comments:

1. The subject judgment is, and has been accruing interest at the rate of \$737 per day since December 15, 1986, adding approximately \$751,181 to the Airport's obligation since the judgment was entered. By approving the proposed appropriation of the requested funds at this time, the Airport will be able to minimize further interest costs in this case, by being ready to satisfy the judgment immediately in the event the Supreme Court does not accept the case for review.

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2. The Airport Commission's proposed supplemental appropriation is calculated on the basis of accrued interest through September 30, 1989. However, because of the scheduling of this item, the proposed ordinance will not take effect until several weeks after September 30, 1989. This is based on the assumption that the ordinance will be referred to the Board of Supervisors for hearing on October 2, 1989, with a second hearing on October 9, 1989. An additional ten days to allow for the Mayor's signature results in the ordinance becoming effective on or about October 19, 1989. As a result, the proposed Supplemental Appropriation Ordinance will not be adequate to fully satisfy the judgment as of October 19, 1989. Therefore, the proposed Supplemental Appropriation Ordinance should be amended to provide for an additional \$14,003 of interest at the rate of \$737 per day for 19 days from September 30, through October 19, 1989.

Recommendations: 1. Amend the proposed Supplemental Appropriation Ordinance by \$14,003, from \$3,441,850 to \$3,455,853, which will provide for additional accrued interest.

2. Approve the proposed ordinance as amended.

Item 13 - File 97-89-33

1. The proposed ordinance would amend Section 16.6-10, of the San Francisco Administrative Code to allow the Department of Public Health to join 22 additional professional organizations and to reflect name changes for three organizations.

2. The Department of Public Health is currently authorized by the Administrative Code to maintain membership in 37 professional organizations. The proposed ordinance would allow membership in 22 new organizations for a total of 59 organizations.

3. The proposed additions include the following:

<u>New Memberships</u>	<u>Annual Membership Fee</u>
American Association of Homes for the Aging	\$1,048
American Industrial Hygiene Association	250
American Occupational Therapist Association	Not available
American Society for Hospital Materials Management	20
Association of Bay Area Health Officials	7,500
California Association of AIDS Agencies	125
California Conference of Environmental Health Directors	40
California Medical Association	320
California Public Health Association - North	Not available
California Public Administrator, Public Guardian, and Public Conservator Association	150
Council of Teaching Hospitals	2,861
County Health Executives Association of California	2,568
Gerontology Society of America	80
Health Care Financial Management Association	147
Health Officers Association of California	2,130
Hospital and Community Services of the American Psychiatric Association	139
National AIDS Network	500
National Environmental Health Association	45
National Safety Council	840
Society of Public Health Educators	65
West Bay Hospital Association	12,000
Western Association of Hospitals	150

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4. Name changes for the three organizations are as follows:

American Society on Aging replaces Western Gerontological Society

California Association of Hospitals and Health Services replaces California Hospital Association

The Health Care Forum replaces Association of Western Hospitals.

Comments:

1. Of the 22 proposed organizations to be added, the DPH, as of the writing of this report, is unable to provide the amount of the annual membership fees for the American Occupational Therapist Association and the California Public Health Association-North. The DPH should not be allowed to join these two organizations until information can be provided regarding the annual membership fees. Therefore, these two organizations should be removed from the list of organizations in the proposed legislation.

2. The annual membership fees for the 20 organizations for which DPH has provided information total \$30,978, of which the DPH has \$17,645 included in its 1989-90 budget. Of the remaining amount of \$13,333, the DPH reports that \$1,768 will be funded through a reallocation of existing 1989-90 budgeted funds, \$1,497 will be requested in DPH's 1990-91 budget, and \$10,068 will be requested in a forthcoming supplemental appropriation for annual membership fees for the Association of Bay Area Health Officials (\$7,500) and the County Health Executives Association of California (\$2,568). According to Ms. Nini Leigh of DPH, the DPH has attended meetings of the Association of Bay Area Health Officials and the County Health Executives Association of California and has received invoices from these organizations for membership fees.

3. The DPH reports that membership in the proposed organizations would provide a number of benefits, including access to publications, training opportunities, committees affecting healthcare legislation, and seminars on management techniques that might reveal cost saving methods for DPH.

Recommendation

Approval of the proposed ordinance which would allow DPH to join 22 additional organizations for an additional annual cost of \$13,333 is a policy matter for the Board of Supervisors. If the Board of Supervisors approves the proposed ordinance, amend the proposed legislation to delete the American Occupational Therapist Association and the California Public Health Association - North from the list of organizations that the DPH may join due to DPH's inability to provide information regarding annual membership fees.

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Item 14 - File 101-88-51.1

Department: Public Utilities Comission (PUC)
Municipal Railway (MUNI)

Item: Release of reserved funds

Amount: \$164,000

Description: In December, 1989, the Board of Supervisors approved a Supplemental Appropriation Ordinance (File 101-88-51) to appropriate Transit Impact Development Fee (TIDF) revenues to three capital improvement projects. One of the three capital improvement projects, the Harrison Street articulated bus maintenance facility start-up, included the budgeting of \$164,000 for contingencies. Because the specific needs for these contingencies were not identified at that time, the Board of Supervisors appropriated and reserved the \$164,000.

Now that the Harrison Street facility is substantially completed, MUNI has identified contingency projects to rectify minor structural and equipment problems, as follows:

• Apply an epoxy sealer to the bus storage and circulation floor area to prevent oil build-up and to prolong the floor's life.	\$67,000
• Remove and relocate protective devices used to prevent buses from damaging equipment.	60,000
• Place an intercom system and lights at the outside fuel delivery area to improve ease of late-night oil deliveries and install more secure covers on the oil storage tanks.	15,000
• Build an adapter to enable bus hoists to be used on articulated buses.	13,000
• Relocate cleaning solution pumps to improve worker safety.	9,000
Total	\$164,000

Recommendation: Approve the proposed release of reserve in the amount of \$164,000.

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Item 15 - File 101-88-45.1

Department: San Francisco Unified School District (SFUSD)
Item: Release of reserved funds
Amount: \$157,976
Description: In December, 1988, the Board of Supervisors approved a Supplemental Appropriation Ordinance (File 101-88-45) to appropriate \$34,739,230 of the 1988 School Facilities Improvement Bond proceeds for asbestos abatement of SFUSD facilities. Of the \$34,739,230 appropriated, \$971,000 was reserved pending submission of greater details and justification of the expenses, as follows:

Auto Mileage	\$10,000
Travel	6,000
Other Services	600,000
Office Supplies	55,000
Other Supplies	100,000
Equipment	<u>200,000</u>
Total Reserved	\$971,000

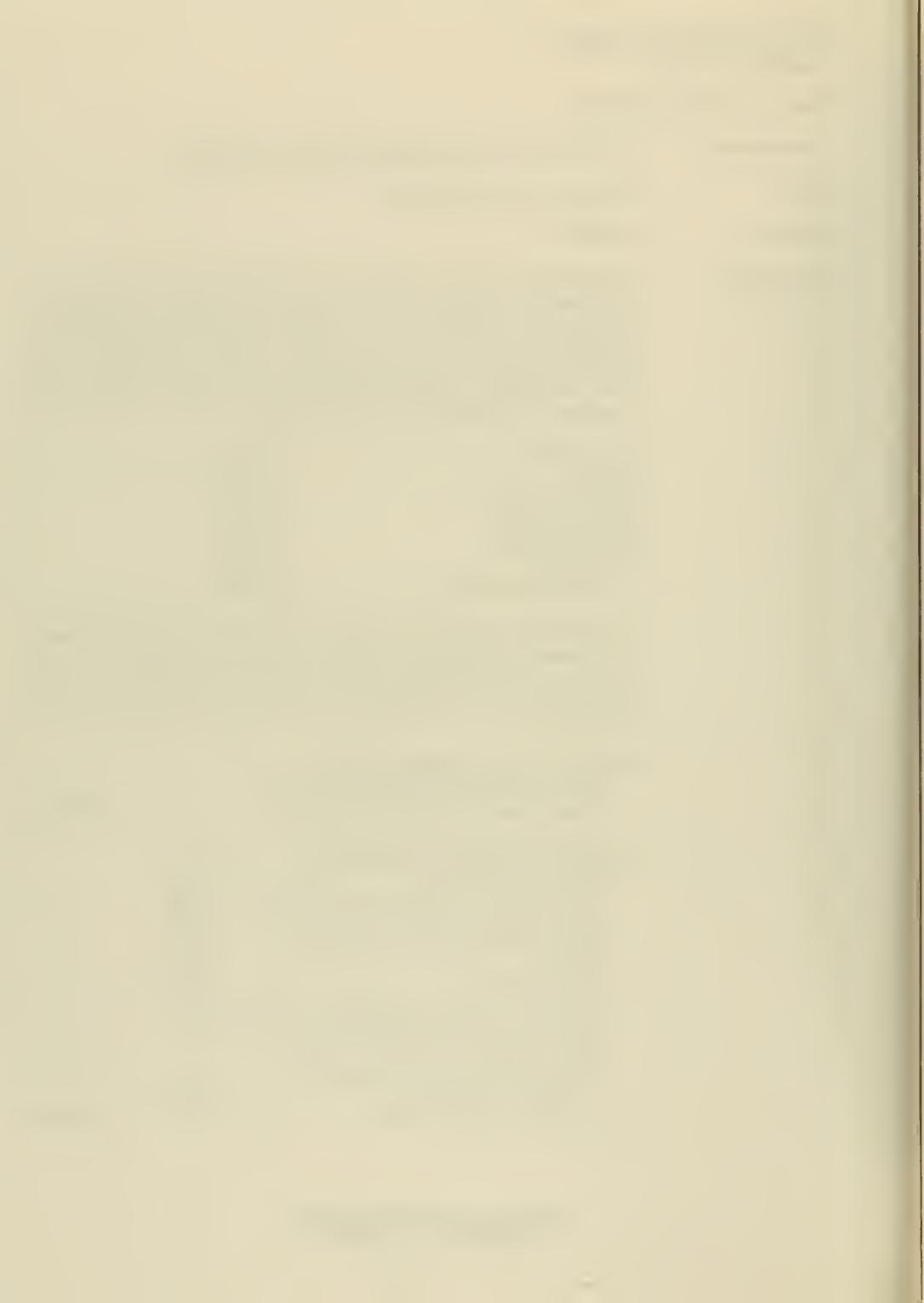
The SFUSD has created a special office to manage the School Facilities Improvement project included in the previously approved Supplemental Appropriation Ordinance. The SFUSD has now identified the following costs of operating that office:

Training, Travel and Seminars

Funds 110 training seminars at an average cost of \$394 per seminar. \$ 43,374

Other Services (2 years of funding)

Messenger Service	\$ 4,200
Office Equip. Maintenance Contracts	7,800
Computer Maintenance Contract	4,000
Report and Map Reproduction	3,000
Beepers	2,880
Lease of 2 Cars	9,600
Computer System Lease (Main frame, printer and 12 workstations)	34,162
Office Equipment Lease (2 copiers, 4 typewriters, 2 "fax"machines, 1 blueprint machine)	<u>16,200</u>
Total - Other Services	81,842



<u>Office Supplies (2 years of funding)</u>	
Codes and Manuals	\$3,600
Cameras (2), film and processing	5,300
Blueprint Paper	2,880
Computer Supplies	3,600
Copier Supplies	1,680
Graphic Supplies	1,200
Computer Programs (7)	4,400
General Office Supplies	<u>10,100</u>
Total - Office Supplies	<u>32,760</u>
Total	\$157,976

Comments:

1. Although the budget for the School Facilities Improvement program, as previously approved by the Board of Supervisors, includes only a \$6,000 appropriation for travel and the proposed release of reserve requests \$43,374 for training, travel and seminars, Mr. Robert Golton, SFUSD Director of Fiscal Services, states that the environmental and asbestos training is a vital part of the School Facilities Improvement program and is necessary to meet the program's goals. Mr. Golton indicates that the \$37,374 for training, travel and seminars that exceeds the \$6,000 budgeted for travel (\$43,374 less \$6,000) should be charged against the \$600,000 budget for Other Services. Thus, the total requested release of reserve chargeable against the \$600,000 budgeted for other services is \$119,216 (\$81,842 actual Other Services costs plus \$37,374 Training, Travel and Seminars in excess of travel budget).
2. Mr. Golten states that in the City Attorney's opinion, State restrictions on the use of School Facilities Improvement Bond proceeds do not permit the purchase of items such as computers and automobiles.
3. Mr. Golten reports that the Electronic Information Processing Steering Committee (EIPSC) has approved the computer equipment to be leased.

Recommendation: Approve the proposed release of reserve in the amount of \$157,976.

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Item 16 - File 101-87-40.1

Department: Parking Authority
Department of Public Works (DPW)

Item: Resolution to authorize the Controller to release \$330,000 held in reserve to the Parking Authority for the Neighborhood Angle Parking Capital Improvement Project.

Description: In January, 1988, the Board of Supervisors approved a Supplemental Appropriation Ordinance (File 101-87-40) of \$350,000 for the Parking Authority for construction of new parking spaces in four of the City's commercial neighborhoods. Of the \$350,000, \$20,000 was for the immediate costs for planning and environmental review and the remaining \$330,000 was reserved.

DPW's Bureau of Traffic Engineering has now completed plans for angle parking spaces for fourteen locations in the vicinity of Clement Street between 3rd Avenue and 11th Avenue and has recommended that angle parking be constructed on ten of those locations with the \$330,000 held in reserve. The construction of angle parking adjacent to Clement Street would cost and result in a net increase of on-street parking spaces as follows:

<u>Location</u>	<u>Cost</u>	<u>Spaces Gained</u>
9th Avenue, east side south of Clement	\$46,623	7
4th Avenue, west side south of Clement	31,265	4
8th Avenue, west side south of Clement	49,839	6
5th Avenue, west side south of Clement	27,243	3
12th Avenue, west side south of Clement	27,612	3
4th Avenue, west side south of Clement	38,298	4
11th Avenue, west side south of Clement	28,940	3
3rd Avenue, west side south of Clement	29,477	3
10th Avenue, west side south of Clement	22,419	2
10th Avenue, west side south of Clement	<u>24,284</u>	<u>2</u>
Total	\$326,000	37

Mr. Norman E. Bray, City Traffic Engineer, reports that an additional \$4,000 is needed for contingencies for a total cost of \$330,000. The \$330,000 would be expended as follows:

Construction	\$268,000
Planning	9,700
Design	21,400
Construction Management	20,600
Surveys	6,300
Contingency	<u>4,000</u>
Total	\$330,000

Comments:

1. The initial 14 locations for angle parking improvements near Clement Street were discussed in a series of meetings with the Greater Clement Street Merchants Association. As a result of these discussions, priorities were established for the ten selected locations. The additional four angle parking locations adjacent to Clement Street would require a separate funding request.
2. In addition to the original 14 locations near Clement Street, there were three other locations considered for angle parking improvements. According to Mr. Ramon Zamora, DPW's Bureau of Traffic Engineering, plans for angle parking on the east side of Buchanan Street at the intersection of Union Street and running northerly, producing a net gain of five parking spaces, and on the north side of 12th Street between Folsom and Harrison Streets, producing a net gain of 12 parking spaces, will be the subject of a separate funding request. A proposal to construct angle parking on the east side of 25th Avenue at the intersection of Noriega Street and running northerly has been dropped from further consideration.
3. Mr. Zamora advises that because the original construction cost projections were underestimated, the \$330,000 held in reserve is now only sufficient to construct angle parking at the ten locations recommended.

Recommendation: Approve the proposed resolution.

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Item 17 - File 60-89-11

1. The proposed resolution provides for the endorsement of the Board of Supervisors for the State Clean Air and Transportation Improvement Act of 1990, an initiative to be submitted directly to the voters.

2. This statewide initiative would authorize a \$1.99 billion general obligation bond issue to provide funds principally for passenger and commuter rail systems. The initiative also provides for some specific allocations to certain specified state and local programs through grants to be administered by the California Transportation Commission.

3. According to Mr. Jim Knox of Californians for Transportation Solutions, a group supporting the proposed initiative, the Act contains specific fund allocations of \$35 million to the San Francisco Public Utilities Commission for capital projects such as acquisition of rights of way, track improvement, and acquisitions of rolling stock; \$173 million to CalTrain, \$13 million of which is for San Francisco to be used for similar projects; and extensive funding to BART, including \$10 million for the planned extension of BART to the San Francisco Airport. Mr. Knox states that there is a 50 percent matching requirement to receive these grants, which may be satisfied by current, ongoing spending.

4. Mr. Knox states that the Act specifically states that the proposed bond issue funds cannot replace existing funding, and that any local agency which applies for grant funds must demonstrate that its current funding levels will not be reduced.

5. The State Legislative Analyst and Director of Finance have estimated the State-wide fiscal impact of the Act to include \$3.6 billion from the General Fund to repay principal and interest on the bond issue over a 20-year period and an undetermined shift in fuel taxes from the General Fund to the Transportation Planning and Development Account. The Legislative Analyst and Director of Finance state that the bond repayment obligation and redirection of fuel tax could potentially result in a reduction of school funding. In addition, since the bonds are tax free, investors' purchases of these bonds in lieu of other taxable investments could reduce state income tax revenue.

Recommendation

The endorsement of a ballot initiative is a policy matter for the Board of Supervisors.

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Item 18 - File 107-89-10

Department: Real Estate
Department of Social Services

Item: Resolution authorizing a license to use real property, accepting a gift of the use of real property and authorizing a hold harmless provision.

Description: The proposed resolution would (1) authorize the City to enter into a license agreement with Hastings College of Law for the use of approximately 8,500 square feet of building space at 277 Golden Gate Avenue. (This vacated building was previously used by the KGO Television Station); (2) authorize the City to accept the use of this building space as a gift from Hastings College of Law and (3) authorize a hold harmless provision which limits the extent to which Hastings College of Law would be liable with respect to loss, damage or injury surrounding the City's use of the property. The term of the license agreement would commence September 15, 1989, or as soon thereafter as this proposed resolution is approved by the Board of Supervisors, and would terminate June 30, 1990. After June 30, 1990, this license could be extended on a month-to-month basis by Hastings College of Law with the concurrence of the Director of Property.

The Department of Social Services is proposing to use the building at 277 Golden Gate Avenue to provide an overnight shelter and daytime social service programs (i.e. counseling, referral, drop-in) to homeless persons in San Francisco. Ms. Carla Javits of the Department of Social Services (DSS) reports that DSS is in the process of preparing an RFP to acquire a contractor to operate the overnight shelter and provide the social service programs. It is anticipated that the RFP will be issued within the first two weeks of October, 1989.

According to Ms. Javits, DSS plans to submit a supplemental appropriation request to the Board of Supervisors in order to fund this program for the homeless. As of the writing of this report, DSS was unable to provide an estimate of the number of persons to be served by this program or the cost to fund the program.

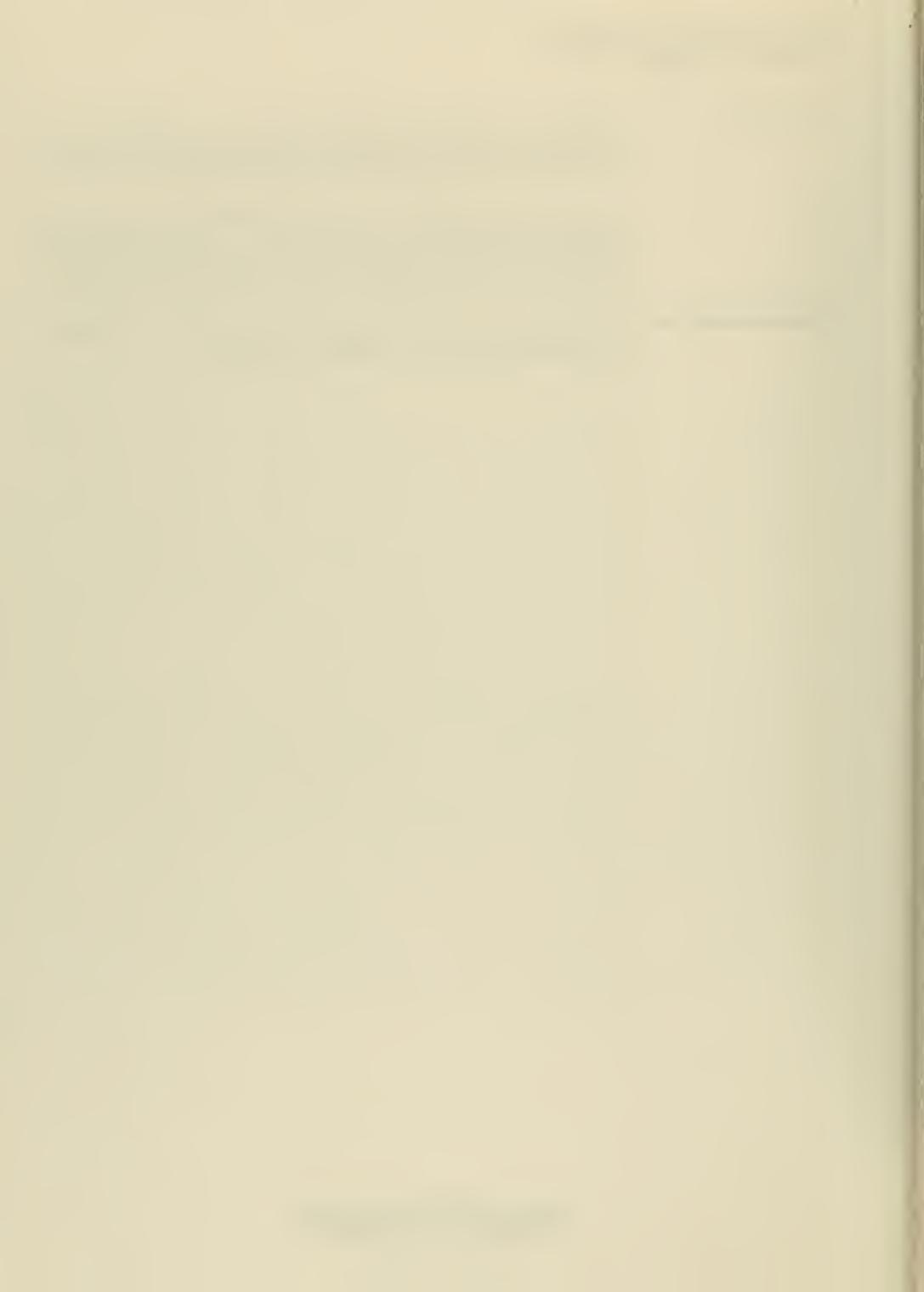
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Comments:

1. Mr. Tony Delucchi, Director of Property, anticipates that the license agreement between the City and Hastings College of Law will be fully negotiated by October 6, 1989.
2. As of the writing of this report, DSS has not provided complete information as to the number of persons served or the costs of the proposed program. Therefore, the Budget Analyst is unable to make a recommendation at this time.

Recommendation: As noted above, the Budget Analyst is unable to make a recommendation on the proposed resolution.

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Item 19 - File 101-89-31

Department: Planning Department

Item: Supplemental Appropriation Ordinance to increase the 1989-90 Planning Department budgets for temporary salaries; mandatory fringe benefits; data processing services, equipment, and maintenance; word processing equipment; and reproduction to develop local census materials.

Amount: \$85,624

Source of Funds: Census Reserve

Description: The Board of Supervisors established a \$138,000 reserve as a part of the 1989-90 City Budget (Annual Appropriation Ordinance). The \$138,000 Reserve was designated to implement a Census Program. The Planning Department now requests the appropriation of \$85,624 of those Reserve funds to provide temporary staff, computer equipment and professional services for data processing for the City's participation in the 1990 Census process.

Comments:

1. Ms. Martha Kessler, Budget Officer for the Planning Department, states that an accurate census count which avoids an undercount of the local population is necessary to ensure the City's future eligibility for State and Federal funds which are based on population formulae. To the extent that an inaccurate count of the City's population reduces the total census count, the City's ability to request and accept Federal and State funds will be correspondingly reduced. As such, the Planning Department requests funding for systems analysis and equipment acquisition to enable it to prepare for and participate in the census process.
2. The City's proposed census program will allow it to cross-check U.S. Census figures for accuracy, particularly in difficult to count categories such as the homeless, residents of shelters, and transient populations.

3. The Planning Department proposes to use the appropriation in the following manner:

Temporary Salaries	
1863 Senior Systems & Procedures	
Analyst	\$40,228
5276 City Planning Intern	<u>17,940</u>
Subtotal - Temporary Salaries	\$58,168
Mandatory Fringe Benefits	10,351
Equipment Maintenance	500
Data Processing Services	3,650
Reproduction	600
Telephone	300
Computer Equipment (Wang P.C. & Software)	<u>12,055</u>
Total	\$85,624

4. Ms. Martha Kessler states that the Planning Department has obtained EIPSC approval of the proposed computer acquisition totalling \$12,055.

Recommendation: Approve the proposed ordinance.

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Item 20 - File 101-89-33

Department: Sheriff

Item: Supplemental Appropriation Ordinance for capital improvement project start-up costs and to reserve funds for future start-up costs.

Amount: \$2,250,000

Source of Funds: Reserve for Public Safety established by the Board of Supervisors as part of the City's 1989-90 Annual Budget process.

Description: The Board of Supervisors established a \$3.6 million reserve as a part of the 1989-90 City Budget (Annual Appropriation Ordinance). The \$3.6 million Reserve for Public Safety was designated for local match requirements to match state jail construction bond funds (\$2.3 million), funds for the purchase of police and fire vehicles and equipment (\$1.1 million) and to provide funding for a third academy class of police recruits in June, 1990 (\$0.2 million). The proposed Supplemental Appropriation Ordinance would appropriate the portion of the Public Safety Reserve designated to match state jail construction bond funds authorized by State Proposition 52.

The Board of Supervisors recently passed a resolution (File 68-89-9) establishing the City's goals for using the City's \$22.5 million State allocation of Proposition 52 funds. These goals and the estimated costs of implementing the goals, including the City's 25 percent local match, are as follows:

	<u>Proposition 52 Funding</u>	<u>25% Required Local Match</u>	<u>Estimated Total Cost</u>
<u>Expansion of Work Furlough Program</u> Purchase and renovate a building to expand the Work Furlough Program.	\$11,330,000	\$3,670,000	\$15,000,000
<u>Fire and Life Safety Improvements - Hall of Justice</u> The Consent Decree requires renova- tions to improve fire and life safety conditions including the smoke re- moval system, shower replacement and remodeling the short term medical and pharmacy facilities.	1,500,000	500,000	2,000,000
<u>Long Term Medical - Psychiatric Facility</u> Create a new long term medical/ psychiatric facility as required by the Consent Decree.	3,750,000	1,250,000	5,000,000
<u>Service Building and Life Safety Improvements - San Bruno County Jail #3</u> Construction of a services building to house a kitchen, power plant, and laundry plant. Improvements to the water, sewage and heating systems of the existing buildings.	6,000,000	2,000,000	8,000,000
Total	\$22,580,000	\$7,420,000	\$30,000,000

The proposed Supplemental Appropriation Ordinance would appropriate the \$2,250,000 portion of Reserve for Public Safety that was designated for the required local match to Proposition 52 funds. However, additional funds totalling \$5,170,000 (\$7,420,000 for the 25 percent match less the proposed \$2,250,000 appropriation) will have to be appropriated in the future to meet the full 25 percent required local match of \$7,420,000. The \$2,250,000 would be appropriated in two parts, (1) \$1,465,000 for immediate expenditure for planning and design costs and (2) \$785,000 for reserve subject to release approval by both the Mayor and the Finance Committee. Appropriating but reserving the \$785,000 would continue the Board of Supervisors' control over expenditure of the reserved funds but would reduce the processing time required to make the funds available for

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expenditures that will be necessary sometime before September 30, 1990, but which cannot be detailed at this time.

Mr. Norman Karasick, City Architect, and Mr. Calvin Malone, of the Capital Improvements Advisory Committee, had prepared preliminary estimates of \$1,465,000 for immediate expenditure and \$785,000 for appropriation and reserve based on their professional experience in budgeting other similar projects in the past. However, Mr. Malone and Mr. Karasick have now reviewed and analyzed their preliminary estimates on a project basis and have revised the amount necessary to be appropriated for immediate expenditure from \$1,465,000 to \$1,768,851 and have revised the amount necessary to be appropriated and reserved from \$785,000 to \$410,149. The \$2,179,000 total of the revised estimates (\$1,768,851 plus \$410,149) is less than the \$2,250,000 total of the preliminary estimates because a separate \$71,000 Supplemental Appropriation Ordinance is being submitted by the Department of Public Works (DPW) to pay for the costs of constructing the Pharmacy in the Hall of Justice. The sum of the amount to be appropriated for immediate expenditure (\$1,768,851), the amount to be appropriated and reserved (\$410,149) and the \$71,000 Supplemental Appropriation Ordinance to be submitted by DPW is \$2,250,000, the amount in the Reserve for Public Safety designated for the required 25% local match to State Proposition 52 funds.

The revised estimates of the amounts to be appropriated for immediate expenditure are as follows:

Capital Improvement Projects

Work Furlough Center

Architectural Design	\$480,000
Bureau of Architecture	48,000
Asbestos Investigation	15,000
Environmental Review	20,000
Department of Real Estate -	
Site Survey and Purchase	
Documentation	30,000
Toxics Investigation	15,000
Contingencies (5%)	<u>30,400</u>
Total	\$638,400

Hall of Justice Medical/Psychiatric Facility

Architectural Design	\$400,000
Bureau of Architecture	40,000
Asbestos Investigation	15,000
Environmental Review	6,000
Contingencies (5%)	<u>23,000</u>
Total	484,000

San Bruno Jail #3 Service Building

Architectural Design	\$400,000
Bureau of Architecture	40,000
Toxics Investigation	15,000
Environmental Review	20,000
Bureau of Engineering - Site Survey	15,000
Soils Testing	15,000
Contingencies (5%)	<u>25,000</u>
Total	530,000

Facilities Maintenance Projects

<u>Jails 1 and 2 - Renovate Showers</u>	107,926
<u>Jails 1 and 2 - TV Systems in Women's Section</u>	<u>8,525</u>
Total - Revised Appropriation for Immediate Expenditure Request	\$1,768,851

The revised estimates of the amounts to be appropriated but reserved are as follows:

Capital Improvement Projects

<u>San Bruno Jail #3 - Fire Safety Improvements</u>	\$56,000
<u>San Bruno Jail #3 - Security Improvements</u>	8,449

Facilities Maintenance Projects

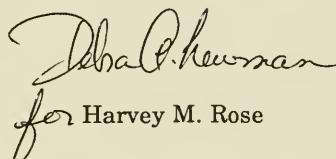
<u>San Bruno Jail #3 - Water Supply System</u>	59,000
<u>San Bruno Jail #3 - Elevator Replacement</u>	54,700
<u>San Bruno Jail #3 - Asbestos Abatement</u>	20,000
<u>San Bruno Jail #3 - Shower/Toilet Facilities</u>	<u>212,000</u>
Total - Revised Appropriation and Reserve Request	\$410,149

Memo to Finance Committee
September 27, 1989

Comment: In order to qualify for Proposition 52 funding, the City must have contracts for construction by September 30, 1990. Therefore, according to Mr. Norman Karasick and Mr. Calvin Malone, planning and design processes must begin immediately in order to meet the State's deadline to qualify for Proposition 52 funding.

Recommendations: 1. Amend Section 1 of the proposed Supplemental Appropriation Ordinance to reduce the total amount to be appropriated by \$71,000 (the amount necessary for the DPW Supplemental Appropriation Ordinance) from \$2,250,000 to \$2,179,000. Amend Section 2 to reduce the amount reserved pending approval by the Mayor and the Finance Committee from the preliminary estimate of \$785,000 to the revised estimate of \$410,149.

2. Approve the proposed Supplemental Appropriation Ordinance as amended.



for Harvey M. Rose

cc: Supervisor Walker
Supervisor Ward
Supervisor Hallinan
President Britt
Supervisor Alioto
Supervisor Gonzalez
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Clerk of the Board
Chief Administrative Officer
Controller
Carol Wilkins
Stacy Becker
Ted Lakey

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